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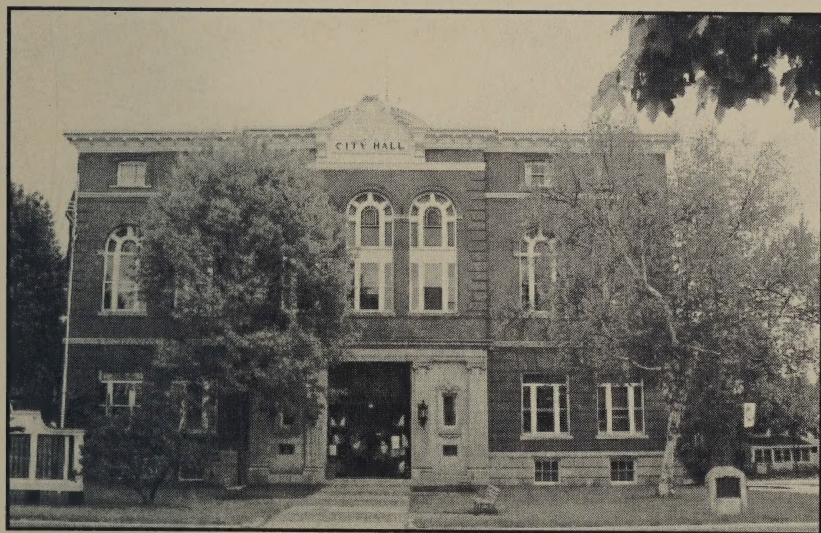
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# **ANNUAL REPORT FOR 2002 - 2003**

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**MEMBERS OF THE  
ROCHESTER CITY GOVERNMENT  
(July 1, 2002 to June 30, 2003)**



# **ANNUAL REPORT**

## **FOR**

**2002 - 2003**

## **MEMBERS OF THE ROCHESTER CITY GOVERNMENT (July 1, 2002 to June 30, 2003)**

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## REPORT OF THE CITY MANAGER

### 2002-2003

During the year ending June 30, 2003 a number of programs and significant events took place that will prepare the City of Rochester for the future. Some of these projects include:

- ◆ A pavement management system has begun to spend six million dollars over a three-year period paving roads needing the most attention
- ◆ Plans were completed for the new Police Station with a completion scheduled for late Spring of 2004
- ◆ The Downtown Master Plan was developed throughout the year by a special citizens committee working with City Staff and the consultant, Cecil Group, Inc.
- ◆ Reconfiguration of the Columbus Avenue, Hancock Street and Lowell Street intersection has begun.
- ◆ A major sewer inflow and infiltration elimination project was engineered and began in Gonic.
- ◆ Renovation work to the Dr. Smith House by Don Carignan, CPA has begun in terms with its acquisition from the City.
- ◆ The City Council decided to create a new Economic Development Manager Position to promote the City, attract new businesses and work with existing companies.
- ◆ Three innovative PUD's (Planned Unit Developments) were approved this year - Secretariat Estates, Highfield Commons and the Homemakers of Strafford County.

The City of Rochester can be proud of the work effort of all departments in providing good customer service to its citizens and taxpayers. I am pleased to have a hard-working dedicated staff to work with and look forward to implementing progressive, new programs and ideas for the benefit of all.

Robert D. Steele

City Manager

**CITY GOVERNMENT**  
**As Organized January 1, 2003**

**MAYOR WALTER A. HOERMAN**

**Ward 1** - David R. Stevens, James F. McManus, Jr.  
**Ward 2** - Elaine M. Lauterborn, Sandra B. Keans  
**Ward 3** - Eugene Henderson, Rick L. Healey  
**Ward 4** - David E. Walker, Lucien G. Levesque  
**Ward 5** - Bruce Lindsay, Ralph Torr  
**At Large** - Raymond Lundborn, Alan Reed-Erickson

**City Manager** Russell McAllister (10/1/02-1/13/04)

**STANDING COMMITTEES, 2003**

**Codes & Ordinances Committee:** Raymond Lundborn, Chairperson;  
Sandra Keans, Vice-Chairperson; Eugene Henderson; Elaine Lauterborn;  
David Stevens

**Economic Development Committee:** David Stevens, Chairperson;  
Bruce Lindsay, Vice-Chairperson; Alan Reed-Erickson; Rick Healey, Ralph  
Torr

**Finance Committee:** Walter Hoerman, Chairperson; David Walker,  
Vice-Chairperson; Sandra Keans; Alan Reed-Erickson; Lucien Levesque;  
Bruce Lindsay; David Stevens

**Public Safety Committee:** David Walker, Chairperson; Rick Healey,  
Vice-Chairperson; James McManus, Jr.; Elaine Lauterborn; Lucien Levesque

**Public Works Committee:** Ralph Torr, Chairperson; Lucien Levesque,  
Vice-Chairperson; Eugene Henderson (resigned 4/03); Ray Lundborn  
(appointed 5/03); James McManus; Rick Healey

**Appointments Review Committee:** Sandra Keans, Chairperson,  
Elaine Lauterborn, Vice-Chairperson; Alan Reed-Erickson; David Stevens;  
Bruce Lindsay



## SPECIAL COMMITTEES, 2003

**Building Needs Committee:** Bruce Lindsay, Chairperson; Lucien Levesque; Ralph Torr; Alan Reed-Erickson; Sandra Keans; Rick Healey; Ronald Lachapelle; David Dubois; Scott Dumas

**Highway Safety Committee:** David Walker, Chairperson; Rick Healey, Vice-Chairperson; James McManus, Jr.; Elaine Lauterborn; Lucien Levesque

**Joint Building Committee:** Sandra Keans, Chairperson; James McManus, Jr.; David Walker; Raymond Lundborn; David Stevens; Ralph Torr; Frank Callaghan; Bert George; James McGranaghan; John Connelly; Gerard Gilbert; Nancy Warren

**Rochester Government Channel Committee:** Rick Healey, Chairperson; David Walker; Elaine Lauterborn; Russell McAllister; Steve Lewis; John Fuchs

## CITY OFFICERS AND DEPARTMENT HEADS, 2003

Animal Control Officer	Suzanne Paradis
Deputy Assessor	Tom Mullin
Deputy Assessor	Vickie Lambert
Assessor, Chief	Brett Purvis
Business Administrator	Brian LeBrun
Checklist Supervisor, Chair	Thomas J. Jean
Chief Planner	Michael Behrendt
City Clerk	Joseph Gray
City Engineer	Thomas H. Willis, Jr.
City Manager	Russell McAllister
City Physician	Dr. William Olney
City Solicitor	Danford Wensley
Code Enforcement Services (Building, Electrical, Plumbing Health & Zoning)	Larry Hamer
Planning & Economic Development Director	Kenneth Ortmann
Fire Chief	Mark Dellner
Fire Chief, Duputy	Francis Zombeck
Fire Chief, Assistant	Norman Sanborn, Jr.
Ice Arena	Chris Bowlen
Library Director	John Fuchs
Police Chief	David Dubois



Public Buildings & Grounds Director	Melodie Esterberg
Public Works Commissioner	Melodie Esterberg
Recreation, Parks, Youth Services Director	Brent Diesel
Tax Collector	Doreen Jones
Welfare Director	Lynn Carey
Mayor	Walter Hoerman
Deputy Mayor	David E. Walker

## BOARDS AND COMMISSIONS, 2003

**Arena Advisory Commission:** David Anctil, Chairperson; Richard Clough; Robert Brown; Raymond McGilvray; Dale Bickford; David Colson; Timothy Williams

**Board of Assessors:** Brett Purvis, Chairperson; Victoria Lambert; Thomas Mullin

**Board of Health:** Dr. Thomas Moon, Dr. William Olney, Larry A Hamer

**Conservation Commission:** George Bailey, Chairperson; Jeffrey Winders, John Hayes, III; Rose Marie Rogers; Mark Toussaint; Meredith Lineweber; Paul Marshall; **Alternate Member:** Peter Ejarque

**County Commissioners:** George Maglaras, Chairperson; Cal Schroeder; Ronald Chagnon

**Licensing Board:** Russell McAllister, Chairperson; David Dubois; Mark Dellner

**Personnel Advisory Board:** David Lynch; Carol Themelis; Daniel White

**Planning Board:** J. Bruce Roberts, Chairperson; Julie Brown, Vice Chairperson; A. Terese Desjardins, Secretary; John David Meader; James Graham; Tim Fontneau; Alan Dews; James McManus, Jr.; Melodie Esterberg; **Alternate Members:** Lance Powers; Rick Healey; Kenneth Robinson; Cliff Newton

**Police Commission:** Gary Stenhouse; Barry Flanagan; Paul Dumont

**Recreation, Parks & Youth Services Commission:** David Lynch, Chairperson; Sheila Colson; Russell Whitehouse; David Stevens, Jeffrey Turgeon; Gerry Gilbert; Fred Chisholm

**Rochester Housing Authority:** Arthur Nickless, Chairperson; Wilbur Boudreau, Vice Chairperson; Stella Marcotte, Secretary; Marilyn Berry; Otis Perry; Richard Lachance; Jerry Grossman

**Rochester Industrial Development Authority:** Leon Meader, Jr., Chairperson; Janet Davis; Laura Shambos; Robert Gustafson; Bruce Demers;

Robert Mulcahy; Al Felgar; David Tinkham; Thomas Moody; **Ex-Officio Members:** Walter Hoerman; Kenneth Ortmann

**Rochester School Board:** At Large: Mark Chrusz; Bert George; Charles DeVito; **Ward 1:** Frank Callaghan, James McGranaghan; **Ward 2:** Daniel Harkinson; Nancy Warren, Chairperson; **Ward 3:** John Connelly; Gerard Gilbert; **Ward 4:** Philip Stiles; James Parks; **Ward 5:** Anne Grassie; Robert Watson

**Strafford Regional Planning Commission:** Sandra Keans, Mary Lou Beaver, Thomas Willis, Kenneth Ortmann

**Trustees of the Public Library:** David Tinkham, Chairperson; Michael Roberts, Vice-Chairperson; Ann Cassavechia; Joanne Pallas; Betty Meulenbroek; Pamela Hubbard; Marcia Nescot

**Trustees of the Trust Funds:** Marsha Miller; Brian Brennan; Richard Boyle

**Utility Advisory Board:** Scott Valcourt, Chairperson; Kenneth Johnson; Henry Burks; Michael Peterson; Brian Brennan

**Welfare Appeals Board:** Irene Creteau, Mary Flynn, Nancy Morneault

**Zoning Board of Adjustment:** Robert Johnson, Chairperson; Ralph Torr, Co-Chairperson; Andy English; Randy Lavallee; David Miller

**Alternate Members:** Robert Gormandy, Shon Stevens

## **MAYOR'S TASK FORCE, 2003**

**Rochester Opera House Restoration Committee:** Joe Britton, Chairperson; Harvey Bernier, Jr.; George Allen; Cathy Taylor; Don Carignan; Stephen Dibble; Andrea Poliquin; Janet Pelley, Anthony or Herman Ejarque; Kevin Flynn

**Rochester Substance Abuse Prevention:** Robert Brown, John Connelly, Sharon Croft, Pam Byers, Dr. Michael Clark, Dan Lacroix, Anne May, Patricia Rainboth, Det. John Caldwell, Bonnie Voyer, Kathy Wotton, Pat Lilly, Liz Ossen

## **ELECTION OFFICIALS, 2003**

**Ward One -** Dawn Lapierre, Moderator; Cindy Harmon, Ward Clerk; Susan Lampron, Checklist Supervisor; Rhona Panteledes, Joyce Bentz, Abigail Collins, Selectmen

**Ward Two -** Daniel Harkinson, Moderator; Nancy Warren, Ward Clerk; Kenneth Peters, Checklist Supervisor; Roger Conroy, Brian Brennan, Jean Anne Twombly, Selectman

**Ward Three** - Danford Wensley, Moderator; Kenneth Billings, Ward Clerk; Sandra Healey, Checklist Supervisor; Kathryn Lachappelle, Jeannine Lambert, Theresa Lanoix, Selectman

**Ward Four** - Priscilla Dickie, Moderator; Pauline Webster, Ward Clerk; Patricia Dunlap, Checklist Supervisor; Anne Letourneau, Geraldine Lacasse, Barbara Harrison, Selectmen

**Ward Five** - Neill Williams, Moderator; Violet Williams, Ward Clerk; Caroyln Meader, Checklist Supervisor; Paul Blanchette, Evelyn Blanchette, Selectmen

**Ward Six** - James Gray, Moderator; Joanne Gray, Ward Clerk; Sharyn Stuart, Checklist Supervisor; Jeanne Wurth, Jeffrey Turgeon, Pamela Adams, Selectman

**Chairperson of the Checklist Supervisors:** Thomas Jean

**City Clerk:** Joseph Gray



## **REPORT OF THE ARENA DEPARTMENT 2002-2003**

Fiscal Year 2003 marked the end of the thirteenth year of the Rochester Arena as an enterprise fund within the City of Rochester.

Throughout the year numerous comments and praises were made by patrons regarding the recent upgrades to the facility.

Programming and the sale of ice time during FY03 continued to be very successful. There was a 97% usage rate of prime time hours available and ice time continued to be in high demand. There were over 2,300 hours of scheduled ice time for programs from September of 2002 to March of 2003. The arena ran a "House League" program that was a non-travel, recreational league. The league was very successful and attracted over 100 skaters. Roller hockey continued to be a success in the summer months with 100+ youth joining the program and 100+ adults in the adult league.

It is also estimated that over 163,000 people visited the arena over the course of the year either as a user or spectator.

Arena advertising revenues were up with the dasher board advertising system. In FY03 over a dozen local businesses took advantage of advertising at the arena.

The Rochester Arena will continue to provide the community with various recreational opportunities for youth and adults. With the completed renovations it is a facility that the City of Rochester can be proud of for years to come.

Respectfully submitted,

Chris Bowlen  
Arena Director

**REPORT OF THE ASSESSOR'S OFFICE  
2002-2003**

TO THE CITY MANAGER AND CITY COUNCIL OF THE CITY OF  
ROCHESTER

**ASSESSOR'S INVENTORY**

**LAND VALUATION:**

Residential.....	
289,184,842	
Commercial/Industrial.....	
128,620,858	
Current Use.....	
1,703,704	

<b>TOTAL VALUE OF TAXABLE LAND.....</b>	<b>419,509,404</b>
---	--------------------

**BUILDING VALUATIONS**

Residential.....	
748,302,563	
Manufactured Housing.....	
99,981,400	
Commercial/Industrial.....	
193,418,237	

<b>TOTAL OF TAXABLE BUILDINGS.....</b>	<b>1,041,702,200</b>
--	----------------------

**PUBLIC UTILITIES**

Gas.....	5,125,100
Electric.....	15,091,000

<b>TOTAL VALUATION OF TAXABLE PROPERTY</b>	<b>1,481,427,704</b>
--	----------------------

**EXEMPTIONS**

Blind	(26)	646,800
Elderly	(363)	9,951,600
Disabled	(44)	747,500
Totally and Permanently Disabled	(0)	0

**TOTAL AMOUNT OF EXEMPTIONS** **11,345,900**

Less Public Utilities -20,216,100

Net Valuation without utilities on which tax rate for state  
Education tax is computed 1,449,865,704

2002 Tax Rate x \$20.43 per 1000 \$29,620,756.00

Veterans (2003) - \$287,900.00

Payments in lieu of taxes + \$181,819.87

Total Amount to be collected \$29,514,675.87

Respectfully submitted,

Brett S. Purvis, Chief Assessor



## **REPORT OF THE CITY CLERK'S OFFICE**

### **2002-2003**

The mission of the City Clerk's Office is to provide for the administration of federal, state, and local statutes, the maintenance of official municipal records and issuance of various licenses and documents in a highly efficient and effective manner. In addition, the City Clerk's Office will maintain the integrity of the election process by conducting fair and impartial elections.

Recorded the votes and proceedings of the City Council at Regular, Special and City Council Workshop meetings; published and indexed the minutes of all City Council meetings in accordance with RSA 91-a:4; and provided informational copies of minutes to all affected citizens, boards, commissions, and department heads. Prepared agendas, packages, and minutes for the following: City Council Regular, Special, Workshop and Public Hearing meetings.

From July 1, 2002, through June 30, 2003, 395 persons were born in the City of Rochester. The City Clerk's Office also processed 232 death records and issued 248 marriage licenses during the same period. Notary services were provided to 1050 persons. 110 Uniform Commercial Code Financing Statements (UCC) searches and terminations were made in this office. UCC's are filed with the Secretary of State's Office, UCC Division, Concord, NH. The City of Rochester receives reimbursement from the Secretary of State's Office for all Rochester UCC's filed with the Secretary of States Office. The City of Rochester continues to conduct UCC searches and accept NH Dept. of Revenue Administration Liens, Federal Tax Liens, Hospital Liens, and Town Tax Liens on Manufactured Housing. The City Clerk's Office issued 4,251 dog licenses during the year.

Following is a summary of the City Clerk's revenues for Fiscal Year 2002-2003

#### **Certified Copies of Vital Records**

**\$17,501.00**

Marriage Applications

\$1,736.00

Dog License

**\$18,113.00**

UCC Fee

**\$11,562.38**

Notary Service/ Miscellaneous Revenues  
5,333.68

\$

Total Revenues

\$54,336.06

The City Clerk's Office Supervised, (1) State Primary Election, September 10, 2002. (1) General State Election, November 5 , 2002.

Accepted new voter registrations, declarations of party affiliations, and checklist changes in address/ward; provided in-home voter registration for the elderly and disabled; coordinated and attended all sessions of the Supervisor of the Checklist; maintained and updated the City's computerized voter checklist; and printed all required checklists.

Processed (7) applications for the Adams-Pray Fund for Approximately \$202.67 per applicant.

I would like to thank the staff members of the City Clerk's Office – Assistant Clerks -Diane Moses, Kreana Jameson, and Sheryl Eisenberg, who prove every day what team work is all about. Thank you team.

Respectfully submitted,

Joseph Gray  
City Clerk of Rochester

**Resolutions Adopted by the Rochester City Council  
Fiscal Year 2002-2003**

<b>Subject</b>	<b>Date Approved</b>
Acceptance of Domestic Preparedness Program Grant and making Supplemental Appropriation in Connection Therewith [Accepted 4/01/2003]	
Accepting Emergency Management Program Grant and Making a Supplemental Appropriation in Connection Therewith	[Accepted 3/4/2003]
Accepting Library Grant (Bill and Melinda Gates)	[Accepted 11/6/2002]
Accepting Grant for Rochester Police Department Bulletproof Vests and Making a Supplemental Appropriation in Connection Therewith	[Accepted 3/4/2003]
Accepting Police Department Grants and Making Supplemental Appropriations in Connection Therewith (\$1,109.00 & \$18,603.00)	[Accepted 2/4/2003]
Accepting Unanticipated Grants to the Rochester School Department and Making A Supplemental Appropriation in Connection Therewith	[Accepted 4/01/2003]
Accepting U.S. Department of Transportation Grant and Making Supplemental Appropriation in Connection Therewith	[Accepted 6/17/2003]
Approving 2002-2003 Community Development	[Accepted 5/13/2003]
Approving Transfer of Funds From Route 108 Project to Church St. Project	[Accepted 4/08/2003]
Approving Cost Items Associated with contract local 633, Brotherhood of Teamsters (Library Employees) and approving Transfers in Connection Therewith	[Accepted 8/06/2002]
Approving Funding Formula	[Accepted 4/01/2003]
Approving FY 2003-2004 Operating Budget	[Accepted 6/24/2003]
Approving Supplemental Appropriation for the City of Rochester 2002-2003 Operating Budget (\$86,823.10)	[Accepted 2/04/2003]
Approving Transfers Community Development Block Grant Budget and Authorizing Appropriations in Connection Therewith	[Accepted 2/04/2003]
Authorizing Application for Domestic Preparedness Equipment Program Grant for the Rochester Police Department	[Accepted 12/3/2002]



Authorizing Change of Purpose for the Expenditure of Proceeds from Bonding  
In Connection With Church Street Improvement Project [Accepted 4/8/03]

Authorizing and Approving 2003-2004 Capital Budget and Authorizing Certain  
Bonding in Connection Therewith [Accepted 6/24/2003]

Authorizing Change of Purpose for the Expenditure of Proceeds from Bonding  
[Accepted 11/6/2002]

Authorizing Participation with Rochester Historical Society in PSNH Small Business Energy  
Efficiency Program [Accepted 4/12003]

Authorizing Supplemental Appropriation to 2002-2003 Operating Budget of the  
City of Rochester [Accepted 2/4/2003]

Authorizing Supplemental Appropriation to 2002-2003 Operating Budget of the  
City of Rochester — Police Department [Accepted 2/4/2003]

Community Center Handicap Accessible Doors [Accepted 2/04/2003]

Establishing Polling Places/Times for State Primary and State General Elections  
[Accepted 8/06/2002]

For the Sale of land, Map 132 (Snow Dump Lot) [Accepted 8/06/2002]

For School Lunch Program For Rochester Authorizing Supplemental Appropriation [Accepted  
4/01/2003]

Granting Access Easement over City Owned Property [Accepted 4/01/2003]

Regarding Acceptance of Domestic Preparedness Equipment Program Grant and  
Making Supplemental Appropriation in Connection Therewith [Accepted 4/01/2003]

Regarding State Education Adequacy Funding [Accepted 4/01/2003]

Sale of 62 South Main Street [Accepted 8/06/2003]

Granting Access Easement Over City Owned Land [Accepted 4/01/2003]

# REPORT OF THE CODE ENFORCEMENT DEPARTMENT

## Annual Report

2002- 2003

The Code Enforcement Department has been very active. As the population of Rochester continuously grows, so does the responsibility of the department to enforce applicable rules and regulations of the City of Rochester. This office remains dedicated to this responsibility and will continue its program of proactive code enforcement ensuring the health and safety of the citizens of Rochester.

The total revenue collected by the Code Enforcement Department is categorized as follows:

Food Establishment Licenses	\$ 21,240.00
<b>Code Enforcement Permits</b>	<b>5,960.00</b>
Building Permits	175,682.00
Miscellaneous Permits & Fees	1,970.00

**TOTAL     \$204,852.00**

Less Refunds, Waived Fees (Veteran & Municipal Status)

<2,863.00>

**TOTAL     \$201,989.00**

The total amount expended by the department was \$247,514.00

### BUILDING INSPECTION

The major duties of the department include the administration of National Codes, the review and issuance of building permits, and the inspection of construction sites to ensure conformance of these codes; additionally enforce compliance of the Zoning Ordinance and Planning Board approvals.

A total of 2,382 permits were issued with an estimated building cost of \$44,014,617.00. With the combination of building, health, and miscellaneous items, there were 3,791 inspections performed.

## HEALTH

The major health related duties of the department continue to be the licensing and inspection of the City's food service establishments. We have worked closely with the owners and operators to ensure compliance with the New Hampshire rules for the sanitary production and distribution of food. During the year each food establishment was inspected a minimum of two to three times. As a whole, Rochester's food establishments are in full compliance.

The department also performed inspections of day care and foster home facilities. Investigated housing code complaints and responded to various health related concerns for the citizens of Rochester.

### *The Board of Health comprised the following members:*

**Dr. Thomas Moon, D.V.M. - Chairman**

Vacant

Vacant

Dr. William Olney, M.D.

Mr. Larry A. Hamer, Health Officer – Secretary

## CODE ENFORCEMENT

Other general activities performed by the department include. Inspection and licensing of mobile home parks, licensing of movie theaters, pool tables, video games, all taxi (company, drivers, and cars), junk yards, motor vehicle junk yards, second hand dealers, and hawkers & peddlers. Additionally the department has investigated 242 citizen complaints and zoning infractions.

Respectfully submitted,

Larry A. Hamer

Director of Code Enforcement Services



## **REPORT OF THE CONSERVATION COMMISSION**

2002-2003

**This has been a fortunate year for the Commission. In addition to the usual review of dredge and fill permits, new responsibilities were presented.**

In September, the City Council revised the current use tax revenue schedule to allow faster growth of the Commission's Conservation Fund, which would foster earnest planning for easements or purchase of critical land tracts, which was difficult under the older schedule. This was followed a few months later by cosponsored (with Strafford Regional Planning) workshop on land protection opportunities for Rochester land owners.

Part of the N.H. Department of Transportation's plan for widening the Spaulding Turnpike will include impact on several acres of important wetlands, and will require mitigation. The NHDOT has selected the City Concrete tract on Chestnut Hill Road for this mitigation, and has devised a conceptual plan for the construction of new wetlands at that site. The Commission reviewed the plans and suggested several changes and amendments, all of which were reported to the City Council.

After working closely with the Department of Planning and Economic Development for several years, a conservation buffer ordinance was presented to the City Council. The ordinance will greatly aid in the protection of the City's wetlands and streams, particularly in lands under development. An educational brochure on this ordinance for landowners will be issued next year.

**REPORT OF THE CITY FINANCE OFFICE**  
**2002-2003**

For the fiscal year ending June 30<sup>th</sup>, 2003 the City's fiscal health is excellent. Continued close monitoring of City accounts and fund balances will ensure future stability.

The following financial statements and auditor's report substantiates the fiscal health of the City. This is the first year the City is required to report under the new GASB Statement No. 34 requirements. With the exception of the Sewer and Arena funds, all other funds enjoyed the same fiscal health. Both the Sewer and Arena funds posted net operating losses, as reported in the annual audit report. These losses are a reflection of increased debt service and depreciation expenses due to the major Sewer Plant expansion and the upgrade/expansion of the Ice Arena.

As of June 30, 2003 the City returned sufficient funds to the General Fund to remain above the required 5% undesignated unreserved portion of fund balance. Subsequent to June 30, 2003, a portion of the fund balance was used to offset taxes.

Fiscal Year 2002-2003 was overall financially positive for the City of Rochester.

Respectfully Submitted,

Brian G. LeBrun  
Finance Director

EXHIBIT A  
**CITY OF ROCHESTER, NEW HAMPSHIRE**  
Statement of Net Assets  
June 30, 2003

	Primary Government		
	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Current Assets:			
Cash and cash equivalents	\$ 23,812,409		\$ 23,812,409
Investments	119,750		119,750
Taxes receivable, net	1,970,618		1,970,618
Accounts receivable, net	1,194,612	\$ 1,681,004	2,875,616
Due from other governments	868,560	5,771,616	6,640,176
Internal balance	(5,155,993)	5,155,993	-
Prepaid expenses	39,864	61,907	101,771
Inventory	14,342	126,125	140,467
Tax deeded property	122,468		122,468
Total Current Assets	<u>22,986,630</u>	<u>12,796,645</u>	<u>35,783,275</u>
Noncurrent Assets:			
Capital assets, net	79,060,930	57,109,704	136,170,634
Total Noncurrent Assets	<u>79,060,930</u>	<u>57,109,704</u>	<u>136,170,634</u>
Total Assets	<u>\$ 102,047,560</u>	<u>\$ 69,906,349</u>	<u>\$ 171,953,909</u>
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts payable	\$ 1,636,380	\$ 222,695	\$ 1,859,075
Accrued expenses	4,217,502	958,552	5,176,054
Retainage payable	152,654	13,245	165,899
Deposits	134,667		134,667
Deferred revenue	10,258,861	1,732	10,260,593
Current portion of bonds payable	3,147,340	3,079,288	6,226,628
Current portion of capital leases payable	49,396		49,396
Total Current Liabilities	<u>19,596,800</u>	<u>4,275,512</u>	<u>23,872,312</u>
Noncurrent Liabilities:			
Bonds payable	28,010,796		28,010,796
Notes payable		27,665,510	27,665,510
Capital leases payable	52,346		52,346
Compensated absences	90,000		90,000
Total Noncurrent Liabilities	<u>28,153,142</u>	<u>27,665,510</u>	<u>55,818,652</u>
Total Liabilities	<u>47,749,942</u>	<u>31,941,022</u>	<u>79,690,964</u>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	47,801,053	26,364,906	74,165,959
Restricted for:			
Permanent funds	35,470		35,470
Unrestricted	6,461,095	11,600,421	18,061,516
Total Net Assets	<u>\$ 54,297,618</u>	<u>\$ 37,965,327</u>	<u>\$ 92,262,945</u>

See accompanying notes to the basic financial statements

# CITY OF ROCHESTER, NEW HAMPSHIRE

Statement of Activities  
For the Year Ended June 30, 2003

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Primary Government		Total
				Governmental Activities	Business-type Activities	
Governmental Activities:						
General government	\$ 2,955,909	\$ 80,470	\$ -	\$ (2,875,439)		\$ (2,875,439)
Public safety	7,697,132	204,554	303,167	(7,189,411)		(7,189,411)
Highways and streets	5,739,272	64,301	476,188	(5,198,783)		(5,198,783)
Health and welfare	635,731	-	-	(635,731)		(635,731)
Culture and recreation	1,388,137	79,162	5,000	(1,303,975)		(1,303,975)
Community development	440,905	-	300,728	(140,177)		(140,177)
Community services	495,768	554,496	-	58,728		58,728
Education	37,929,900	18,761,648	-	(19,168,252)		(19,168,252)
Food service	1,388,554	488,451	-	(64,167)		(64,167)
Capital outlay	1,251,842	-	27,028	(1,224,814)		(1,224,814)
Principal retirement	1,822,829	-	-	(1,822,829)		(1,822,829)
Interest and fiscal charges	2,953,169	-	-	(2,953,169)		(2,953,169)
Intergovernmental	64,699,148	1,818,919	20,335,182	(42,518,019)	\$ -	(42,518,019)
Total governmental activities						
Business-type activities:						
Sewer	3,440,424	2,783,226	-	-	(657,198)	(657,198)
Water	2,100,479	2,930,417	-	-	829,938	829,938
Nonmajor funds	419,820	317,092	-	-	(102,728)	(102,728)
Total business-type activities	5,960,723	6,030,735	-	-	70,012	70,012
Total primary government	\$ 70,659,871	\$ 7,849,654	\$ 20,335,182	\$ (42,518,019)	70,012	(42,448,007)
General revenues:						
Property taxes				30,360,683		30,360,683
Motor vehicle permit fees				4,003,239		4,003,239
Intergovernmental revenue				1,352,645		1,352,645
Interest and investment earnings				310,104	284,050	594,154
Miscellaneous				3,267,414	26,814	3,294,228
Capital contributions				-	62,335	62,335
Transfers				(250,000)	230,000	-
Total general revenues and transfers				39,044,085	623,199	39,667,284
Change in net assets				(3,473,934)	693,211	(2,780,723)
Net assets - beginning - (See Note 14)				57,771,552	37,272,116	95,043,668
Net assets - ending				\$ 54,297,618	\$ 37,965,327	\$ 92,262,945

See accompanying notes to the basic financial statements



EXHIBIT C  
 CITY OF ROCHESTER, NEW HAMPSHIRE  
 Balance Sheet  
 Governmental Funds  
 June 30, 2003

	General	Other	Total
	Fund	Governmental	Governmental
	Funds	Funds	Funds
ASSETS			
Cash and cash equivalents	\$ 23,795,086	\$ 17,323	\$ 23,812,409
Investments	72,307	47,443	119,750
Taxes receivable, net	1,970,618		1,970,618
Accounts receivable, net	1,032,077	162,535	1,194,612
Due from other governments		868,560	868,560
Due from other funds	806,206	1,074,220	1,880,426
Prepaid expenses	37,353	2,511	39,864
Inventory	1,085	13,257	14,342
Tax deeded property	122,468		122,468
Total Assets	<u>\$ 27,837,200</u>	<u>\$ 2,185,849</u>	<u>\$ 30,023,049</u>
LIABILITIES			
Accounts payable	\$ 807,533	\$ 828,848	\$ 1,636,381
Accrued expenses	3,701,986	7,188	3,709,174
Retainage payable		152,654	152,654
Deposits	134,667		134,667
Deferred revenue	12,029,827	177,567	12,207,394
Due to other funds	<u>6,537,017</u>	<u>499,402</u>	<u>7,036,419</u>
Total Liabilities	<u>23,211,030</u>	<u>1,665,659</u>	<u>24,876,689</u>
FUND BALANCES			
Reserved for endowments		35,470	35,470
Reserved for prepaid expenses		2,511	2,511
Reserved for inventory		13,257	13,257
Reserved for special purposes	20,000		20,000
Unreserved, (deficit) reported in:			
General fund	4,606,170		4,606,170
Special revenue funds		744,637	744,637
Capital projects funds		(287,658)	(287,658)
Permanent funds		<u>11,973</u>	<u>11,973</u>
Total Fund Balances	<u>4,626,170</u>	<u>520,190</u>	<u>5,146,360</u>
Total Liabilities and Fund Balances	<u>\$ 27,837,200</u>	<u>\$ 2,185,849</u>	

Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds		79,060,930
Property taxes are recognized on an accrual basis in the statement of net assets, not the modified accrual basis		1,948,533
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. Long-term liabilities at year end consist of:		
Bonds payable		(31,158,136)
Capital leases payable		(101,741)
Accrued interest on long-term obligations		(508,328)
Compensated absences		(90,000)
Net assets of governmental activities		<u>\$ 54,297,618</u>

See accompanying notes to the basic financial statements

## EXHIBIT D

## CITY OF ROCHESTER, NEW HAMPSHIRE

## Statement of Revenues, Expenditures and Changes in Fund Balances

## Governmental Funds

For the Year Ended June 30, 2003

	General Fund	Other Governmental Funds	Total Governmental Funds
Revenues:			
Taxes	\$ 30,227,822	\$ 115,340	\$ 30,343,162
Licenses and permits	4,003,239		4,003,239
Intergovernmental	18,767,909	2,946,946	21,714,855
Charges for services	413,743	1,405,176	1,818,919
Interest income	308,704	1,400	310,104
Miscellaneous	2,357,491	909,923	3,267,414
Total Revenues	<u>56,078,908</u>	<u>5,378,785</u>	<u>61,457,693</u>
Expenditures:			
Current operations:			
General government	2,756,767	1,200	2,757,967
Public safety	7,365,485	188,287	7,553,772
Highways and streets	1,976,227		1,976,227
Health and welfare	635,190		635,190
Culture and recreation	1,296,798	29,429	1,326,227
Community development		440,905	440,905
Community services		495,768	495,768
Education	35,136,315	1,980,036	37,116,351
Food service		1,380,073	1,380,073
Capital outlay	-	4,630,331	4,630,331
Debt service:			
Principal retirement	2,834,730		2,834,730
Interest and fiscal charges	1,769,891	-	1,769,891
Intergovernmental	2,953,169		2,953,169
Total Expenditures	<u>56,724,572</u>	<u>9,146,029</u>	<u>65,870,601</u>
Excess of revenues over (under) expenditures	<u>(645,664)</u>	<u>(3,767,244)</u>	<u>(4,412,908)</u>
Other financing sources (uses):			
Proceeds from debt issues			-
Operating transfers in	350,000	40,000	390,000
Operating transfers out	(250,000)	(390,000)	(640,000)
Total other financing sources (uses)	<u>100,000</u>	<u>(350,000)</u>	<u>(250,000)</u>
Excess of revenues and other sources under expenditures and other uses	<u>(545,664)</u>	<u>(4,117,244)</u>	<u>(4,662,908)</u>
Fund balances at beginning of year, as restated	<u>5,171,834</u>	<u>4,637,434</u>	<u>9,809,268</u>
Fund balances at end of year	<u>\$ 4,626,170</u>	<u>\$ 520,190</u>	<u>\$ 5,146,360</u>

## CITY OF ROCHESTER, NEW HAMPSHIRE

## Reconciliation of the Statement of Revenues, Expenditures

## and Changes in Fund Balances of Governmental Funds

## to the Statement of Activities

For the Year Ended June 30, 2003

Net Change in Fund Balances—Total Governmental Funds \$ (4,662,908)

Amounts reported for governmental activities in the statement of activities are different because

Governmental funds report capital outlays as expenditures.

However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period. (1,566,952)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 17,521

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. 2,834,730

Repayment of principal on capital leases is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. 46,613

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. (52,938)

Some expense reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. (90,000)

Change in Net Assets of Governmental Activities \$ (3,473,934)

EXHIBIT E  
**CITY OF ROCHESTER, NEW HAMPSHIRE**  
Statement of Net Assets  
Proprietary Funds  
June 30, 2003

	Business-type Activities			
	Sewer Fund	Water Fund	Nonmajor Enterprise Funds	Totals
<b>ASSETS</b>				
Current Assets:				
Accounts receivable, net	\$ 859,106	\$ 818,038	\$ 3,860	\$ 1,681,004
Due from other governments	5,479,854	291,762		5,771,616
Due from other funds	2,501,110	2,539,723	115,160	5,155,993
Prepaid expenses	8,974	50,422	2,511	61,907
Inventory		126,125		126,125
Total Current Assets	<u>8,849,044</u>	<u>3,826,070</u>	<u>121,531</u>	<u>12,796,645</u>
Noncurrent Assets:				
Capital assets, net	<u>39,838,846</u>	<u>15,992,757</u>	<u>1,278,101</u>	<u>57,109,704</u>
Total Noncurrent Assets	<u>39,838,846</u>	<u>15,992,757</u>	<u>1,278,101</u>	<u>57,109,704</u>
Total Assets	<u>\$ 48,687,890</u>	<u>\$ 19,818,827</u>	<u>\$ 1,399,632</u>	<u>\$ 69,906,349</u>
<b>LIABILITIES</b>				
Current Liabilities:				
Accounts payable	\$ 126,388	\$ 93,947	\$ 2,360	\$ 222,695
Accrued expenses	755,050	179,136	24,366	958,552
Retainage payable	13,245			13,245
Deferred revenue			1,732	1,732
Current portion of notes payable	<u>1,718,691</u>	<u>1,303,362</u>	<u>57,235</u>	<u>3,079,288</u>
Total Current Liabilities	<u>2,613,374</u>	<u>1,576,445</u>	<u>85,693</u>	<u>4,275,512</u>
Noncurrent Liabilities:				
Notes payable	<u>20,648,198</u>	<u>5,915,488</u>	<u>1,101,824</u>	<u>27,665,510</u>
Total Noncurrent Liabilities	<u>20,648,198</u>	<u>5,915,488</u>	<u>1,101,824</u>	<u>27,665,510</u>
Total Liabilities	<u>23,261,572</u>	<u>7,491,933</u>	<u>1,187,517</u>	<u>31,941,022</u>
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	17,471,957	8,773,907	119,042	26,364,906
Unrestricted	<u>7,954,361</u>	<u>3,552,987</u>	<u>93,073</u>	<u>11,600,421</u>
Total Net Assets	<u>25,426,318</u>	<u>12,326,894</u>	<u>212,115</u>	<u>37,965,327</u>
Total Liabilities and Net Assets	<u>\$ 48,687,890</u>	<u>\$ 19,818,827</u>	<u>\$ 1,399,632</u>	<u>\$ 69,906,349</u>

See accompanying notes to the basic financial statements

EXHIBIT F

CITY OF ROCHESTER, NEW HAMPSHIRE

Statement of Revenues, Expenses and Changes in Net Assets

Proprietary Funds

For the Year Ended June 30, 2003

	Business-type Activities			
	Sewer Fund	Water Fund	Nonmajor Enterprise Fund	Totals
Operating revenues:				
Charges for services	\$ 2,783,226	\$ 2,930,417	\$ 317,092	\$ 6,030,735
Miscellaneous	4,024	10,554	12,236	26,814
Total operating revenues	<u>2,787,250</u>	<u>\$ 2,940,971</u>	<u>329,328</u>	<u>6,057,549</u>
Operating expenses:				
Personal services	681,450	695,160	178,097	1,554,707
Repairs and maintenance				-
Materials and supplies	203,614	254,319	10,822	468,755
Utilities	499,996	69,894	69,508	639,398
Depreciation	859,697	567,214	44,625	1,471,536
Miscellaneous	184,132	140,538	55,106	379,776
Total operating expenses	<u>2,428,889</u>	<u>1,727,125</u>	<u>358,158</u>	<u>4,514,172</u>
Operating loss	<u>358,361</u>	<u>1,213,846</u>	<u>(28,830)</u>	<u>1,543,377</u>
Non-operating revenues (expenses):				
Interest revenue	241,109	41,541	1,400	284,050
Interest expense	(1,011,535)	(373,354)	(61,662)	(1,446,551)
Net non-operating revenues (expenses)	<u>(770,426)</u>	<u>(331,813)</u>	<u>(60,262)</u>	<u>(1,162,501)</u>
Income (Loss) before contributions and transfers	(412,065)	882,033	(89,092)	380,876
Capital contributions	29,677	32,658		62,335
Operating transfers in	<u>250,000</u>			<u>250,000</u>
Change in net assets	(132,388)	914,691	(89,092)	693,211
Total net assets at beginning of year, as restated	<u>25,558,706</u>	<u>11,412,203</u>	<u>301,207</u>	<u>37,272,116</u>
Total net assets at end of year	<u>\$ 25,426,318</u>	<u>\$ 12,326,894</u>	<u>\$ 212,115</u>	<u>\$ 37,965,327</u>



## EXHIBIT G

## CITY OF ROCHESTER, NEW HAMPSHIRE

## Statement of Cash Flows

## Proprietary Funds

For the Year Ended June 30, 2003

	Business-type Activities			
	Sewer Fund	Water Fund	Nonmajor Enterprise Funds	Totals
Cash flows from operating activities:				
Cash received from customers	\$ 2,957,348	\$ 2,926,614	\$ 308,775	\$ 6,192,737
Cash paid to suppliers and employees	(1,542,483)	(1,044,682)	(319,477)	(2,906,642)
Net cash provided (used) by operating activities	<u>1,414,865</u>	<u>1,881,932</u>	<u>(10,702)</u>	<u>3,286,095</u>
Cash flows from noncapital financing activities:				
Transfer from other funds	250,000			250,000
Net cash provided by noncapital financing activities	<u>250,000</u>	<u>-</u>	<u>-</u>	<u>250,000</u>
Cash flows from capital and related financing activities:				
Purchases of capital assets	(325,168)	(250,091)		(575,259)
Proceeds of long-term debt	59,573	1,152		60,725
Principal paid on note payable	(1,695,077)	(1,214,587)	(17,236)	(2,926,900)
Interest paid on note payable	(1,053,964)	(371,903)	(44,685)	(1,470,552)
Capital contributions	29,677	32,658		62,335
Net cash used for capital and related financing activities	<u>(2,984,959)</u>	<u>(1,802,771)</u>	<u>(61,921)</u>	<u>(4,849,651)</u>
Cash flows from investing activities:				
Interest on investments	241,109	41,541	1,400	284,050
Net cash provided by investing activities	<u>241,109</u>	<u>41,541</u>	<u>1,400</u>	<u>284,050</u>
Net increase (decrease) in cash and cash equivalents	(1,078,985)	120,702	(71,223)	(1,029,506)
Cash and cash equivalents at beginning of year	3,580,095	2,419,021	186,383	6,185,499
Cash and cash equivalents at end of year	<u>\$ 2,501,110</u>	<u>\$ 2,539,723</u>	<u>\$ 115,160</u>	<u>\$ 5,155,993</u>
Reconciliation of operating loss to net cash provided (used) by operating activities:				
Operating income (loss)	\$ 358,361	\$ 1,213,846	\$ (28,830)	\$ 1,543,377
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:				
Depreciation expense	859,697	567,214	44,625	1,471,536
Changes in assets and liabilities:				
Accounts receivable, net	(223,108)	(80,445)	3,115	(300,438)
Due from other governments	393,206	66,088		459,294
Prepaid expenses	(8,524)	154	(2,361)	(10,731)
Inventory		36,164		36,164
Accounts payable	23,702	73,499	(3,851)	93,350
Accrued expenses	(1,714)	5,412	268	3,966
Retainage payable	13,245			13,245
Deferred revenue			(23,668)	(23,668)
Net cash provided (used) by operating activities	<u>\$ 1,414,865</u>	<u>\$ 1,881,932</u>	<u>\$ (10,702)</u>	<u>\$ 3,286,095</u>

See accompanying notes to the basic financial statements

**CITY OF ROCHESTER, NEW HAMPSHIRE**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2003**

**NOTE 6—DEFINED BENEFIT PENSION PLAN (CONTINUED)**

***Funding Policy***

Covered public safety employees are required to contribute 9.3% of their covered salary, whereas teachers and general employees are required to contribute 5.0% of their covered salary. The City is required to contribute at an actuarially determined rate. The City's contribution rates for the covered payroll of police officers, fire employees, teachers, and general employees were 5.33%, 6.61%, 2.58%, and 4.14%, respectively. The City contributes 65% of the employer cost for police officers, fire employees, and teachers, and the State of New Hampshire contributes the remaining 35% of the employer cost. The City contributes 100% of the employer cost for general employees. In accordance with accounting principles generally accepted in the United States of America (GASB #24), on-behalf fringe benefits contributed by the State of New Hampshire of \$386,326 have been reported as a revenue and expenditure of the General Fund in these financial statements.

Under State law (RSA-100:16), plan member contribution rates are established and may be amended by the New Hampshire State legislature and employer contribution rates are determined by the NHRS Board of Trustees based on an actuarial valuation. The City's contributions to the NHRS for the years ending June 30, 2003, 2002 and 2001 were \$1,058,083, \$988,707, and \$973,043 respectively, equal to the required contributions for each year.

**NOTE 7—GENERAL DEBT OBLIGATIONS**

***General Long-term Obligations***

The changes in the City's long-term debt obligations for the year ended June 30, 2003 are as follows:

	Balance 07/01/02	Additions	Reductions	Balance 06/30/03	Due Within One Year
Governmental activities:					
Bonds payable	\$ 33,992,866		\$ (2,834,730)	\$ 31,158,136	\$ 3,147,340
Capital leases payable	148,355		(46,613)	101,742	49,396
Compensated absences		\$ 90,000		90,000	-
Total governmental activities	<u>\$ 34,141,221</u>	<u>\$ 90,000</u>	<u>\$ (2,881,343)</u>	<u>\$ 31,349,878</u>	<u>\$ 3,196,736</u>
Business-type activities:					
Bonds/Notes payable	\$ 33,610,973	\$ 60,725	\$ (2,926,900)	\$ 30,744,798	\$ 3,079,288
Other long-term obligations				-	-
Compensated absences				-	-
Total business-type activities	<u>\$ 33,610,973</u>	<u>\$ 60,725</u>	<u>\$ (2,926,900)</u>	<u>\$ 30,744,798</u>	<u>\$ 3,079,288</u>

**Governmental Activities**

Bonds payable at June 30, 2003 are comprised of the following individual issues:

**CITY OF ROCHESTER, NEW HAMPSHIRE**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2003**

**NOTE 7—GENERAL DEBT OBLIGATIONS (CONTINUED)**

	Original Issue <u>Amount</u>	Interest Rate	Final Maturity Date	Balance at <u>6/30/03</u>
High School and Allen School additions	\$ 4,965,000	7.50%	October 2004	\$ 330,000
Public buildings repairs	1,100,000	7.50%	September 2004	70,000
Capital bond issue #5	4,605,250	variable	October 2007	1,278,025
1991 NHMBB	5,484,100	6.80%	December 2010	2,193,640
1991 NHMBB	13,031,515	6.80%	January 2011	4,590,000
1992 Series D bonds	1,194,500	variable	January 2013	600,000
Refinancing bonds 1994	6,259,500	variable	November 2009	3,884,880
1995 Series bond issue	2,440,000	variable	August 2015	1,565,000
1996 Series bond issue	1,197,000	variable	August 2016	834,000
1997 Series bond issue	1,320,000	variable	August 2017	975,000
1998 Series A	1,779,000	variable	August 2018	1,372,440
2000 Series bond issue	12,084,500	variable	August 2020	7,082,151
2002 Series bond issue	<u>6,383,000</u>	variable	August 2022	<u>6,383,000</u>
Totals	<u>\$ 61,843,365</u>			<u>\$ 31,158,136</u>

Debt service requirements to retire general obligation bonds outstanding at June 30, 2003 are as follows:

Year Ending <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2004	\$ 3,147,340	\$ 1,669,153	\$ 4,816,493
2005	3,120,170	1,498,416	4,618,586
2006	2,909,213	1,321,782	4,230,995
2007	2,890,688	1,160,481	4,051,169
2008	2,891,003	984,199	3,875,202
2009-2013	9,054,340	2,906,921	11,961,261
2014-2018	4,524,315	1,223,597	5,747,912
2019-2023	<u>2,621,067</u>	<u>266,124</u>	<u>2,887,191</u>
Total	<u>\$ 31,158,136</u>	<u>\$ 11,030,673</u>	<u>\$ 42,188,809</u>

***Capital Lease Obligations***

Capital lease obligations represent lease agreements entered into for the financing of equipment acquisitions. These contracts are subject to cancellation should funds not be appropriated to meet payment obligations. Amounts are annually budgeted in the applicable function. Following is the capital lease obligation at June 30, 2003:

	Interest Rate	Final Maturity Date	Balance at <u>6/30/03</u>
Highway equipment	5.97%	7/2004	<u>\$ 101,742</u>

**CITY OF ROCHESTER, NEW HAMPSHIRE**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2003**

**NOTE 7—GENERAL DEBT OBLIGATIONS (CONTINUED)**

Business-type Activities

Bonds payable at June 30, 2003 are comprised of the following individual issues:

	Original Issue <u>Amount</u>	Interest Rate	Final Maturity Date	Balance at 6/30/03
Capital bond issue #5	\$ 3,388,450	variable	October 2007	\$ 1,066,975
1991 NHMBB	615,900	6.80%	January 2011	246,360
Wastewater treatment plant	2,270,000	variable	July 2004	220,000
Sewer capital improvements bond	1,900,000	8.16%	November 2005	285,000
1992 Series D bonds	405,500	variable	January 2013	200,000
Refinancing bonds 1994	13,240,500	variable	November 2009	6,590,120
1996 Series bond issue	280,000	variable	August 2016	196,000
1998 Series A	871,000	variable	August 2018	737,560
2000 Series bond issue	1,772,000	variable	August 2020	1,562,349
2002 Series bond issue	2,253,000	variable	August 2022	2,253,000
2002 State Revolving loan fund	<u>19,036,378</u>	variable	August 2020	<u>17,309,306</u>
Totals	<u>\$ 46,032,728</u>			<u>\$ 30,666,670</u>

Debt service requirements to retire general obligation bonds outstanding at June 30, 2003 are as follows:

Year Ending June 30	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2004	\$ 3,079,288	\$ 1,345,407	\$ 4,424,695
2005	3,126,459	1,182,620	4,309,079
2006	3,052,415	1,038,046	4,090,461
2007	2,995,939	889,494	3,885,433
2008	1,870,625	784,918	2,655,543
2009-2013	6,808,801	2,917,203	9,726,004
2014-2018	6,053,825	1,558,635	7,612,460
2019-2023	<u>3,679,318</u>	<u>321,101</u>	<u>4,000,419</u>
Total	<u>\$ 30,666,670</u>	<u>\$ 10,037,424</u>	<u>\$ 40,704,094</u>

Interest expense for the year ended June 30, 2003 was \$3,216,442 on general obligation debt for the City of Rochester. The State of New Hampshire annually reimburses the City for its share of Sewer related debt service payments. For the year ended June 30, 2003, the reimbursement was \$256,786.

***State Revolving Loan***

The U.S. Environmental Protection Agency sponsors a low interest rate loan program. The loans are administered by the States and are used by local communities to improve their water systems. In fiscal year 2003, the City borrowed an additional \$60,725 through the New Hampshire Water Pollution Control Revolving Fund Program. Total funding to date is \$78,127, which is reported as "notes payable" in the



**CITY OF ROCHESTER, NEW HAMPSHIRE**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2003**

**NOTE 7—GENERAL DEBT OBLIGATIONS (CONTINUED)**

Enterprise Funds. Interest is accrued at 1% to be paid upon completion of construction project within the next year.

*Authorized and Unissued Debt*

The following debt was authorized and unissued as of June 30, 2003:

<u>Purpose</u>	<u>Amount</u>	<u>Total</u>
Governmental Funds:		
1998 Authorized	\$ 5,000	
1999 Authorized	100,000	
2001 Authorized	3,478,530	
2002 Authorized	1,520,754	
2003 Authorized	4,223,000	
School 2002 Authorized	730,725	
School 2003 Authorized	591,800	
Total Governmental		\$ 10,649,809
Business-type Funds		
Sewer 2001 Authorized	1,650,000	
Sewer 2002 Authorized	349,100	
Sewer 2003 Authorized	700,000	
Water 2001 Authorized	875,000	
Water 2002 Authorized	581,900	
Water 2003 Authorized	1,241,000	
Total Business-type		5,397,000
Combining Total		<u>\$ 16,046,809</u>

*Available Debt Margin*

The City is subject to State statute which limits debt outstanding to a percentage (dependent of purpose) of a valuation calculation made annually by the State. As of June 30, 2003, the City had the following available debt margins:

	Net Debt <u>Outstanding</u>	% of Assessed <u>Valuation</u>	Statutory <u>Limit</u>	Available <u>Debt Limit</u>
School	\$ 16,389,404	7.00%	\$ 101,712,755	\$ 85,323,351
Water	9,898,198	10.00%	145,303,935	135,405,737
All other	25,722,600	3.00%	43,591,181	17,868,581

Per State law, debt incurred for sewer expansion is not included in the limitation calculations.

SCHEDULE 1

CITY OF ROCHESTER, NEW HAMPSHIRE

Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget and Actual (Budgetary Basis) - General Fund

For the Year Ended June 30, 2003

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Favorable (Unfavorable)
	Original	Final		
Revenues:				
Taxes	\$ 29,823,766	\$ 29,823,766	\$ 30,227,822	\$ 404,056
Licenses and permits	3,755,430	3,755,430	4,003,239	247,809
Intergovernmental	18,227,189	18,227,189	18,381,583	154,394
Charges for services	229,400	316,223	413,743	97,520
Interest income	625,000	625,000	308,704	(316,296)
Miscellaneous	2,313,250	2,313,250	2,357,491	44,241
Total Revenues	<u>54,974,035</u>	<u>55,060,858</u>	<u>55,692,582</u>	<u>631,724</u>
Expenditures:				
Current:				
General government	2,961,898	2,920,880	2,756,767	164,113
Public safety	7,337,470	7,397,200	7,230,713	166,487
Highways and streets	2,009,845	2,036,938	1,976,227	60,711
Health and welfare	629,060	629,060	635,190	(6,130)
Culture and recreation	1,303,910	1,344,928	1,296,798	48,130
Education	34,443,100	34,443,100	34,429,688	13,412
Debt service:				
Principal retirement	2,834,737	2,834,737	2,834,730	7
Interest and fiscal charges	1,689,846	1,689,846	1,769,891	(80,045)
Intergovernmental	2,953,169	2,953,169	2,953,169	-
Total Expenditures	<u>56,163,035</u>	<u>56,249,858</u>	<u>55,883,173</u>	<u>366,685</u>
Excess revenues over (under) expenditures	<u>(1,189,000)</u>	<u>(1,189,000)</u>	<u>(190,591)</u>	<u>998,409</u>
Other financing uses:				
Operating transfers in	350,000	350,000	350,000	-
Operating transfers out	(250,000)	(250,000)	(250,000)	-
Total other financing uses	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>-</u>
Excess revenues over (under) expenditures and other uses	<u>(1,089,000)</u>	<u>(1,089,000)</u>	<u>(90,591)</u>	<u>998,409</u>
Fund balances at beginning of year				
- Budgetary Basis	<u>4,716,761</u>	<u>4,716,761</u>	<u>4,716,761</u>	<u>-</u>
Fund balances at end of year				
- Budgetary Basis	<u>\$ 3,627,761</u>	<u>\$ 3,627,761</u>	<u>\$ 4,626,170</u>	<u>\$ 998,409</u>

See accompanying notes to the required supplementary information

## **REPORT OF THE FIRE DEPARTMENT 2002-2003**

**I submit this fire report for the Fiscal Year covering July 1, 2002 through June 30, 2003.**

**Our City's fire department continues to provide excellent service for our rapidly growing community. As our City's population increases, the demand for public safety services increase and in our agency, the number of back to back calls do as well.**

**During this period, our efforts in the area of training have been stepped up, in particular, specialty areas like technical rescue, preparing firefighters for high angle and below grade rescue work. Another area of increased training centered around our RIT team (Rapid Intervention Team) that prepares personnel to affect rapid rescue of trapped or lost firefighters. Training in our agency receives top priority in order to maintain our proficiency levels and to maintain a safe working environment.**

**Our departments Fire Prevention efforts are well received by our community. This division is responsible for Public Fire Education, Fire Code compliance and Fire Investigation. Our efforts in fire code compliance are based on "education" and "cooperation" before ordered compliance and enforcement of the laws. By continuing this philosophy, we find our community being more receptive and understanding to fire issues.**

**During this period our department responded to 7 serious building fires, two of which were apartment houses requiring multiple alarms. Our overall fire department activity for emergency and non-emergency calls showed an increase over the last period and we are proud to report no civilian deaths and no serious injuries to our firefighters during this period.**

**The work of our firefighters during this period continues to be exemplary. This is coupled with the support of the Rochester City Council in their efforts to ensure our firefighters received the best equipment, tools and training to do their job properly and our citizens and business community who support this organization.**

**In summary, I would like to thank the various City Departments for their assistance over the past year, the employees of this Department who are directly responsible for the success of our organization, you, the City Manager, the Mayor and City Council and the citizens of Rochester whom we serve.**

**Respectfully submitted,**

**Mark Dellner  
Chief of Department**



## FIRE DEPARTMENT RESPONSE ACTIVITY

### EMERGENCY RESPONSE CALLS

FY 03

Fire, other	3
Building Fire	22
Fires in structures other than in a building	7
Cooking fire, confined to container	6
Chimney fire	3
Fuel burner/boiler malfunction	8
Trash or rubbish fire	3
Fire in mobile home	6
Vehicle Fire	19
Brush Fire	27
Outside rubbish fire	6
Special outside fire	3
Outside equipment fire	1
Overpressure rupture of steam boiler	1
Excessive heat, scorch burns with no ignition	1
Medical assist, assist EMS crew	195
Vehicle accident with injuries	54
Motor vehicle/pedestrian accident	7
Lock-in	3
Extrication of victim from vehicle	11
Electrocution	2
Hazardous condition	42
Flammable gas or liquid condition	1
Gasoline or other flammable liquid spill	16
Gas leak (natural gas or LPG)	14
Oil spill	41
Carbon monoxide incident	8
Electrical wiring/equipment problem	7
Overheated motor	1
Power line down	25
Arcing, shorted electrical equipment	26
Accident, potential accident	9
Vehicle accident, general cleanup	339
Service call	87
Person in distress	2
Lock-out	22
Water problem	14
Water evacuation	8
Water or steam leak	13

Smoke or odor removal	7
Animal problem	1
Animal rescue	6
Public service assistance	2
Assist police	8
Public service	6
Assist invalid	2
Unauthorized burning	34
Cover assignment	38
Good intent call	149
Dispatched & cancelled enroute	2
Authorized controlled burning	12
Prescribed fire	2
Steam, other gas mistaken for smoke	1
Smoke scare, odor of smoke	31
Steam, vapor, fog or dust thought to be smoke	1
EMS call, party transported by non-fire agency	10
False alarm or false call	20
Malicious, mischievous false call	7
Municipal alarm system, malicious false alarm	2
Central station, malicious false alarm	2
System malfunction	80
Sprinkler activation due to malfunction	6
Extinguishing system activation due to malfunction	1
Smoke detector activation due to malfunction	35
Alarm system sounded due to malfunction	32
CO detector activation	3
Unintentional transmission of alarm	31
Explosion, no after fire	1
Search	1
Chemical emergency	1
Sprinkler activation, no fire	5
Smoke detector activation, no fire	23
Alarm system sounded, no fire	41
Carbon monoxide detector activation	5
Wind storm, tornado/hurricane assessment	1

**TOTAL**

**1672**

**NON-EMERGENCY ACTIVITY****FY '03**

Building Inspections	90
Certificate of Occupancy	41
Day Care Inspections	17
Fire Alarm System Tests	17
Fire Drills	33
Fire Extinguisher Classes	5
Fire Investigations	9
Fire Prevention Education	18
Foster Home Inspections	5
Juvenile Firesetter Intervention	4
Knox Box Inspections	24
Permits of Assembly	46
Plan Reviews	63
Pre-Construction Meetings	17
Shift Building Inspections	74
Site Reviews	41
Sprinkler Flow Tests	10
Training Sessions	325
Walk-through Inspections	146
Wood Stove Inspections	20

**TOTAL****1005**

# **REPORT OF INFORMATION SYSTEMS**

**2002 - 2003**

## **COMPUTERS AND NETWORKING**

MIS continued support of City operations in FY03. MIS support includes the Local Area Networks (LAN), Wide Area Networks (WAN) and the Institutional Network (I-NET) with all types of user administration, data maintenance and backup, virus prevention, network and personal computer (PC) hardware repairs, upgrades and maintenance, software installation, training and research and development of computer aided procedures.

In FY03 there was continued implementation and upgrades to the Business Applications System, Munis. Other software changes included a new auto registration program for the Tax Collector's Office, a new Vital Records system for the City Clerk's Office and WebPro making Assessing information available on the Internet. MIS personnel attended programs specific training in FY03 and also converted data that had been exported from the IBM System 36 into more user friendly formats.

In FY03 replacements for obsolete and troublesome equipment in City departments continued through a CIP program initiated the year before. The Hardware Replacement Program sets up a timely schedule for the replacement of PC's, printers, etc. to prevent downtime and reduce repair costs. Other MIS capital projects resulted in upgrades and additions to network related equipment.

FY03 was the fourth year of the Cable TV Franchise Agreement and expansion of the I-NET included a Virtual Private Networking (VPN) connection for the Water Treatment Plant, testing connectivity from the Waste Water Treatment Plant to sewer pump stations and a new cable modem connection for the Rochester Historical Society. The Historical Society was also setup with an Internet email account on the City mail server. The Internet email server and program for the City and School Department is managed in-house. The firewall between the I-NET and the Internet was also upgraded during FY03.

MIS was also involved with the Homeland Security grant in FY03 by working with the Fire Department on purchasing a Mobile Data Terminal for the Command Vehicle with their specific computer program and GIS software installed.



## MAPPING AND GEOGRAPHIC INFORMATION SYSTEMS

The responsibility of updating and publishing electronic maps was a part of Information Systems for FY03. All information about legal property line changes (subdivisions, lot line revisions, lot combinations, boundary surveys, etc.) from the Planning Department becomes tax map adjustments and that information is sent to the Assessing Department. Documentation of the changes and copies of the updated maps is given to the Assessing Department and any other impacted City departments. The documentation of lot numbering sequences and street addresses are determined through a combined effort of Assessing and MIS to become a historical tracking source for properties.

There are 104 tax maps for Rochester in AutoCAD drawing format. In FY03 the changes made by MIS to the tax maps included 24 subdivisions with 122 lots, 13 lot line revisions with 34 lots, 11 lot combinations, 26 miscellaneous changes (boundary surveys, new street names, corrections, etc.) and 138 structures (added, removed or modified).

The electronic tax and topographic maps are used for both public and private projects. Almost every map used in a geographic related presentation to the City Council was generated by MIS using City of Rochester electronic maps. In FY03 MIS also continued to update and publish the City Zoning Maps, Wards Map and produce maps specific for projects or incidents as needed.

The Geographic Information Systems (GIS) was updated again in FY03 through a contract with Cartographic Associates, Inc. The updates included parcels and structures coverages and associated attribute data used by several City departments. Cartographic Associates, Inc. also produced a new roads centerlines GIS coverage for the initial implementation of GIS in the Police Department software program. Updates to this new coverage along with updates to the zoning coverage are done by MIS.

In FY03 MIS worked with other departments and the Strafford Regional Planning Commission (SRPC) to produce a Hazard Mitigation Plan for FEMA. MIS coordinated the geographic and attribute data with SRPC using existing GIS coverages and creating new ones as required.

## **E-911 COMMITTEE**

In FY03 the E-911 Committee continued the process of reviewing problem areas, changing or adjusting street numbers administratively as allowed by City Ordinance and recommending street name related changes to the City Council. E-911 Committee members are also contacted regularly by Verizon for verification of street addresses in Rochester.

The E-911 Committee generated a list of all duplicate street names to focus on changing those first for less confusion. The streets were broken down into five (5) categories based on geographic location and the number of impacted landowners. An outside mapping company was hired to generate the maps of these areas for use at neighborhood meetings and with the City Council.

In FY03 the City Council officially named / renamed nine (9) streets, most from the Category 1 list. A neighborhood meeting for the streets in the Category 2 list was held in FY03 with the actual changing of those street names to occur in FY04.

The E-911 Committee continued to coordinate street names and numbers for many private roads. When access to multiple homes or parcels is over privately owned property, the owner can simply agree to follow the City adopted system and no Public Hearing is required. When this is done in mobile home parks, the owner usually notifies all residents and provides the new street signs and new numbers to be posted. The City provides the owners along private roads and mobile home park owners with mapping, numbering and helps with the street name approval process.

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**DENNIS SCHAFFER**  
**MIS MANAGER**

# REPORT OF THE LEGAL DEPARTMENT

## 2002-2003

The following is a report of the activities of the office of the City Attorney for the year beginning July 1, 2002 and ending on June 30, 2003:

During the fiscal year 2002-2003, the following cases involving the City of Rochester were terminated:

1. David Michaud v. City of Rochester, Richard Giguere, et als / Docket #C-99-156-B;
2. AWL Power, Inc. v. City of Rochester / Docket #00-E-239;
3. George Blaisdell v. City of Rochester, Gary Stenhouse, Donald L. Vittum and James Twombly / Docket #00-C-296;
4. Donald Toy and Bonnie Toy v. City of Rochester / Docket #02-E-0083;
5. George Blaisdell v. City of Rochester / Docket #85-C-0434; #86-C-0094 and #89-E-0189;

In addition to the above cases, as of June 30, 2003, the following actions involving the City of Rochester were pending in various New Hampshire and Federal Courts:

1. New England Telephone and Telegraph Company v. City of Rochester / Docket #96-E-0160;
2. Public Service Company of New Hampshire v. City of Rochester and City of Rochester v. Commissioner of Transportation, et als / Docket #96-E-0165;
3. Verizon New England, Inc. f/k/a Bell Atlantic f/k/a New England Telephone and Telegraph Company v. City of Rochester / Docket #97-E-0123; #98-E-0135; #99-E-0148; #00-E-0185; #01-E-0155; and #02-E-162;
4. Squamagonic Sportsman Association v. City of Rochester / Docket #02-E-0203;

5. Winson v. Chadbourne, City of Rochester, et al / Docket #02-E-0214;
6. Ferwerda Development Co., Inc. v. City of Rochester / Docket #03-E-0105.

It should be noted that the above listing of cases does not include various bankruptcy proceedings pending in various U.S. District Courts across the United States in which the City of Rochester has filed proofs of claims and/or other pleadings with regard to the City's various interests in such bankruptcy estates, workers compensation proceedings, and various litigation in which the City is, or was, represented by counsel provided through the City's various liability carriers.

The office of the City Attorney also provided representation to the City in numerous matters before the New Hampshire courts with respect to cases in which the City was a party, as well as before various administrative agencies when necessary. In addition, the City Attorney attended Council meetings, as well as meetings of Council committees and other City boards and commissions upon request. Legal opinions and advice were provided to the City Manager, Mayor, City Council, Department Heads and various boards and commissions of the City upon request. Legal instruments, including deeds, leases, contracts, ordinances, and amendments to ordinances, resolutions and other similar documents were drafted and reviewed as required during the year and representation of the City was provided with regard to the acquisition and disposition of real estate.

Respectfully submitted,

Danford J. Wensley, City Solicitor



## **REPORT OF THE ROCHESTER PUBLIC LIBRARY 2002-2003**

Playing an important role in making our City a better place to live, by providing residents with quality library resources and services, the Rochester Public Library continues expanding its reach within the Rochester community. By the end of June, the number of library cardholders climbed to 15,097. Since then, the number of new cardholders has continued its rapid increase.

A key library service that is crucial to our community's future occurs each summer. The library's popular summer reading programs offer our children and teens an opportunity to develop and strengthen a personal love of reading. Joining the annual Children's Summer Reading Program (this year's theme: "Read around the campfire") was our Teen Summer Reading Program ("Lose yourself in a book... Find yourself in an adventure").

Our residents borrowed library materials at an increasing rate this fiscal year, with circulation reaching 194,772 items. Projections show the number of items borrowed will exceed 200,000 during the next twelve-month period.

While the number of visitors to our library facility totaled 155,021 visits during the year, the number of external virtual visits (i.e. through the library's web site) climbed this fiscal year to 66,289. This trend of our residents utilizing remote access to library resources will continue.

The Friends of the Rochester Public Library reorganized and revitalized their organization during the year in order to enhance their effectiveness in providing support to the library. This rebirth of the Friends continues.

Respectively Submitted,

John Fuchs  
Library Director

**ROCHESTER PUBLIC LIBRARY**  
**LIBRARY COLLECTION 2002-2003**

Book Collection	75,552
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Additions	
-----------	--

Gifts	450
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Purchase	4,469
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Discards	-6,486
----------	--------

Total Book Collection	73,985
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Audio-Visual Collection	7,354
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Additions	
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Gifts	88
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Purchase	809
----------	-----

Discards	-205
----------	------

Total Audio-Visual Collection	8,046
-------------------------------	-------

Serials	218
---------	-----

**Library Services**

Public Service Hours	2,966
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Borrowers Registered	15,097
----------------------	--------

Adult/ Young Adult Circulation	116,623
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Juvenile Circulation	78,149
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Reference Questions	11,017
---------------------	--------

Programming	
-------------	--

Programs	204
----------	-----

Attendance	6,328
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**ROCHESTER PUBLIC LIBRARY**  
**INCOME 2002-2003**

City of Rochester Operating Budget	\$724,728
Trust Funds	6,624
Grants – Gates	12,975
Fines and Fees	20,293
Gifts	1,943
Out of Town Registrations	9,040
Book Sales	3,651
Copiers, Reader-Printer Receipts	3,419
Transfers	96

TOTAL INCOME	782,769
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Balances as of July 1, 2003	18,375
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Trust Checking Account	7,909
Special Account	10,466
	<hr/>
	18,375

\$801,144

**Rochester Public Library**  
**EXPENDITURES 2002-2003**

Personnel Compensation	\$433,396
Benefits	107,682
Legal	6,523
Insurance	7,600
Staff Development/Transportation	1,683
Supplies	14,383
Print Material	75,390

City	\$58,624
Special	15,512
Trust	1,254
	<u>\$75,390</u>

Software	40
Audio-Visual	14,837

city	\$7,127
Special	7,525
Trust	185
	<u>\$14,837</u>

Equipment	758
Equipment Maintenance	15,559
Electronic Services	14,875
Utilities	32,291
Postage	2,590
Dues	620
Programming	1,831
Transfers and Miscellaneous	29
Grants – Gates	12,975
General Fund Revenue	12,727
<b>TOTAL EXPENDITURES</b>	<b>755,789</b>
<b>Year End Balances</b>	<b>45,355</b>

Trust Account	\$13,094
Special Account	13,145
City	19,116
	<u>\$45,355</u>

\$801,144



## **Report of the Planning and Development Department 2002 - 2003**

### **COMMUNITY DEVELOPMENT DIVISION**

The City of Rochester is one of only five designated entitlement communities in New Hampshire to receive Community Development Block Grant funds directly from the federal Department of Housing and Urban Development (HUD). These funds are applied towards housing and community investment projects that directly benefit Rochester residents whose income falls below 80% of the regional median (\$67,000 in 2003).

The City received \$373,000 for use during the 2002-2003 fiscal year. This was the third year of the 2000-2005 Community Development Consolidated Plan.

### **Housing**

\$92,070 was spent on five housing units for the Community Development Housing Rehabilitation Loan Program. This program's objective is to preserve Rochester's aging housing stock by providing low-interest and forgivable loans to homeowners in order to make health and safety improvements to their properties.

The Weatherization Assistance Program is designed to help households at or below 50% of the median reduce heating costs through energy conservation methods. Items specifically addressed are furnace repairs or replacements, carbon monoxide testing, moisture assessments, removal or correction of health and safety hazards and to improve the general living conditions of the residents. 35 households received \$22,317 in improvements provided by CDBG funds and \$22,427 from state funding from the Department of Energy and Community Services.

### **Economic Development**

The Job Opportunity Benefit (JOB) Loan Program - is a program designed to lend money to businesses that hire and employ people of low/moderate income. This loan is generally used in conjunction with traditional bank financing to expand a business with a specific requirement that the business assisted create new jobs. One new loan was completed by the end of the reporting period.

As of June 30, 2003 the City has five loans outstanding under the JOB program.

Specialty Textiles	\$50,000
SS Tappin	\$8,849
Cullen's	\$23,373
Lance Davis	\$23,297
Slim's	\$46,288
Total:	151,807

The Small Business Development Center - is a Micro enterprise Assistance Program to provide direct counseling and advisory workshops for local small business owners. Subsidized by a grant of \$4,000, 18 low/moderate income micro-enterprise owners were directly counseled and assisted with their business plans and other issues.

### **ADA**

City Hall Second Floor: \$37,220 was expended to widen doorways to ADA compliant widths, and create two new ADA compliant restrooms. Assistance from the Governors Office on Disability helped staff make the historic building become more accessible to persons with major disabilities. In the City Council Chambers, a self-operated wheelchair lift was installed for \$14,695. The Community Center and the Library were equipped with automatic "push button" type openers to open the existing exterior and interior doors at the accessible library entrance. The Community Center had two doors replaced and the automatic door openers installed at a cost of \$13,291 to make this building easier for persons with disabilities and the elderly to access.

### **Public Service**

Ten agencies received grants under this category totaling \$55,950. AIDS Response of the Seacoast assisted 33 Rochester residents living with HIV/AIDS each quarter with hundreds of hours of case management, nutrition counseling and travel assistance to medical appointments. Crossroads provided 63 Rochester residents with emergency shelter. Dover Adult Education assisted 324 students with TANF mandated and basic needs classes. The SHARE fund was able to assure 34 households wouldn't be homeless by providing security deposits for rental housing. My Friends Place saw 46 unduplicated Rochester residents at their shelter in Dover. Project Pride helped 27 returning students (between the ages of 17 and 21) get their GED and prepare to enter the workplace. Rochester Parent/Child Center closed their doors three-quarters of the way through their program year. Sexual Assault Support Services assisted 103 victims of sexual assault in the City with crisis support at the time of attack, peer support groups, counseling and advocacy. The Homeless Center for Strafford County sheltered 22 women and children by providing a warm, safe place to stay during the harsh winter months.

### **PLANNING DIVISION**

It is the mission of the Planning Division to coordinate the physical development of Rochester pursuant to the goals of promoting orderly growth, fostering efficient use of infrastructure, maintaining property values, enhancing the business climate, preserving natural and cultural resources, encouraging beauty in the built environment, and creating a special "sense of place" for present and future residents, landowners, businesses, and industries.

The major responsibilities of the Planning Division include:

- Policy development
- Drafting of ordinances and regulations
- Overseeing the zoning ordinance and processing applications for variances, special exceptions, and amendments
- Processing applications for subdivisions and site plan review
- Strategic planning
- Master Planning
- Development review
- Transportation planning
- Infrastructure planning
- Developing ordinances for the protection of natural and cultural resources
- Coordinating the E911 addressing system
- Geographic information systems (mapping) services
- Coordination of, and service to, land use boards: Planning Board, Zoning Board of Adjustment, and Conservation Commission

This was a typically busy year for the Planning Division. The Planning Board, Zoning Board of Adjustment, or staff (as appropriate) reviewed the projects shown below. Most of these applications were approved with conditions. Except for variance and zoning amendment applications it is unusual for an application to be denied outright. Rather, we work very hard with applicants to see if there is an alternative approach or design that serves the objectives of the applicant while being consistent with the public interest and meeting legitimate concerns of abutters. Happily, we find most applicants are willing and able to modify projects as appropriate.

This was an exciting time as we completed the Downtown Master Plan, continued work on a draft historic district ordinance, reviewed several Planned Unit Developments, worked on a draft new wetlands ordinance, established a comprehensive rezoning committee to start on a major overhaul of the Zoning Ordinance, and implemented the new architectural regulations successfully (adopted in prior year). In subsequent years we will continue the Master Plan process for natural and cultural resources, public facilities, and economic and community development.

### **Downtown Master Plan**

The Downtown Master Plan was developed throughout this year by a special committee in consultation with staff and Steven Cecil of the Cecil Group, Inc. of Boston. The committee and Mr. Cecil did an excellent job putting together the plan which was ultimately adopted by the Rochester Planning Board on August 18, 2003 and endorsed by the Rochester City Council on September 2, 2003.

The committee members were Peter Andersen, Harvey Bernier, Cynthia Copeland, Bill Cormier, Terry Desjardins, Anthony Ejarque, Melodie Esterberg, Al Felgar,



Councilor Sandra Keans, Councilor Elaine Lauterborn, Pieter Muelenbroke, Janet Pelley, Lisa Stanley, and Dick White

Key Goals of the Downtown Master Plan Chapter include:

- Creating a new public plaza near the Foster's Building, including a farmers market and venue for special events.
- Extending the river-walk to the stone bridge (and ideally beyond)
- Developing a footbridge over the Coheco River leading to the former Fowns Box Factory (Camaro Heaven) site.
- Implementing various pedestrian, landscaping, tree planting, and streetscape improvements on South Main Street, North Main Street, Wakefield Street, Hanson Street, and Union Street
- Building a parking garage on the interior of the downtown triangle with shopfronts facing Union Street (in the future as the market dictates)
- Creating improved sidewalk connections to surrounding neighborhoods
- Doing various facade and signage improvements
- Facilitating improved organization of municipal parking facilities
- Redeveloping of the former McDuffie Block site (hopefully a joint public - private venture)
- Enhancing access, parking, and landscaping at the rear of the buildings on North Main Street (up from Wyandotte)
- Facilitating prospective reuse of the former Courier Building with restaurant or cafe use (subject to coordination with the Rochester Housing Authority).
- Soliciting appropriate businesses downtown such as cares, restaurants, entertainment, specialty shops, antique stores, gift stores, personal services, etc.
- Creating of a stewardship committee to oversee downtown revitalization
- Changing all or part of the downtown traffic pattern back to two way from the present one way system in order to enhance the pedestrian character.

### **Planned Unit Developments**

The Planned Unit Develop Ordinance was adopted December 5, 2001. A PUD allows for creative development proposals which otherwise would not be permitted under the present Zoning Ordinance. Projects that are of very high quality and which meet numerous design goals of the City, as embodied in the Land Use Master Plan may be approved. Rochester's ordinance has been heralded across the state and garnered much interest from other communities.

Three large scale innovative PUD's were approved this year – Secretariat Estates, Highfield Commons, and The Homemakers. All of these provide for mixed use, village type settings, walking trails, distinctive architecture, and preservation of significant open space. They should promote a real sense of place. We are excited about seeing these developments build out over the coming years.



## **Architectural Jewels**

Chief of Planning Michael Behrendt gave a slide presentation to the Rochester City Council on historic houses in the city as part of an orientation for the proposed new historic district ordinance. Afterward, John Nolan, editor of the Rochester Times, suggested that he do a few articles for the newspaper, showcasing some of the buildings from the slide show. John and Michael thought they might be able to put together about half a dozen pieces.

The first article in the series came out – on Greek Revival Architecture - on November 28, 2002. Ultimately, the biweekly series amounted to 28 articles! This is testimony to the extraordinary collection of architecture in Rochester. Who would think that a small city of under 30,000 would have such a patrimony?

The articles included (final articles in Fall, 2003):

- 1 – Greek Revival
- 2 – The Early Years (Georgian and Federal)
- 3 – Second Empire
- 4 – Porches
- 5 – Shingle Style
- 6 – Downtown Commercial Buildings
- 7 – Italianate
- 8 – Connected Barns
- 9 – Colonial Revival
- 10 – Queen Anne
- 11 – Mills
- 12 – Foursquare
- 13 – Bungalows I
- 14 – Bungalows II
- 15 – Historic Churches
- 16 – Mansions of Wakefield Street
- 17 – Public Buildings
- 18 – Signage
- 19 – Schools
- 20 – Frisbie Memorial Hospital
- 21 – Funerary Art
- 22 – Contemporary Commercial
- 23 – Contemporary Houses
- 24 – The Colonial
- 25 – The Cape
- 26 – Duplexes
- 27 – Log Cabins
- 28 – The Doors of Rochester

### ***Planning Board applications (02-03)***

	<b>Total</b>	<b>Approved</b>	<b>Denied</b>	<b>Total Lots</b>	<b>Withdrawn</b>	<b>Expired</b>
Subdivisions	24	22	1	96	1	1
Lot Line Revisions	16	16				2
Site Plans	25	24	1			3
<b><i>TOTAL</i></b>	<b>65</b>	<b>62</b>	<b>2</b>	<b>96</b>	<b>1</b>	<b>6</b>

	<b>Total</b>	<b>Allowed without further review</b>	<b>Sent to PB</b>	<b>Sent to ZBA</b>	<b>Withdrawn</b>
Minor Site Plan	22	21	1	0	0
Special Downtown	15	14	1	0	0
<b><i>TOTAL</i></b>	<b>37</b>	<b>35</b>	<b>2</b>	<b>0</b>	<b>0</b>

We also received 44 "Letters of Intent". 28 of those were authorized without any further review. 2 were forwarded to the Planning Board, 6 were forwarded to the Minor Site Review process, 4 were forwarded to the Special Downtown review process and 4 were forwarded to the ZBA.

### ***Zoning Board of Adjustment applications (02-03)***

<b>Applications</b>	<b>Total</b>	<b>Approved</b>	<b>Denied</b>	<b>Postponed</b>	<b>Withdrawn</b>
Variances	32	23	5	3	1
Special Exceptions	9	5	1	0	3
Equitable Waiver	5	4	0	0	1
Change of Nonconforming Use	0	0	0	0	0
Request for Rehearing	0	0	0	0	0
<b><i>TOTAL</i></b>	<b>46</b>	<b>32</b>	<b>6</b>	<b>3</b>	<b>5</b>

### **ECONOMIC DEVELOPMENT DIVISION**

It is the mission of the Economic Development Division to work with the Rochester Economic Development Commission and the Economic Development Committee of the City Council to formulate and implement economic development policy. In the context of that policy, it is also the mission of Economic Development to promote Rochester to local businesses, businesses located elsewhere as an attractive location for relocation and growth, and to assist businesses in obtaining access to important financial and informational resources.

The major ongoing responsibilities of the Economic Development Division include the following:

- Customer (internal and external) service
- Policy development
- Creating opportunities for dialogue between industry peers
- Stimulating and creating articles about Rochester in newspapers and magazines
- Strategic planning
- Visiting selected corporate executives
- Promoting Rochester
- Providing information and assistance in obtaining financial incentives
- Infrastructure planning
- Developing strong relationships with tourism industry

Fiscal year 2003 saw quite a variety of economic activities. Some of the more significant events include:

- ◆ In August of 2001 the City sold the Dr. Smith House next to the library to Don Carrigan, CPA. The renovation work began in July 2002. Exterior work was completed early winter and the interior work was completed in April 2003. This historically important building is now contributing financially and aesthetically to our downtown area.
- ◆ In February of 2002 the Rochester Planning Board gave conditional approval to Granite Ford to construct a new 20,000 ft<sup>2</sup> facility to house their auto dealership on Route 11. There were a number of road and utility details that had to be worked out with the City and subdivision owner. The Grand Opening was April 2003 and the final product is an attractive addition to the Rte 11 corridor.
- ◆ When the Cumberland Farms site across from Home Depot decided to expand into the Vathally's Pizza and Sub Shop space, owner Peter Bordeau decided to move his business downtown. He purchased the former "Harvey's Bakery" building and began working with the Planning Department on design and parking issues. He abandoned his original plan to demolish the former Tee Pee Sports end of the building to create parking when it appeared the District Court would work with him to reconfigure the space between his building and the Court House to allow for more effective use of the existing parking area. Unfortunately, the security desires of the Court resulted in an arrangement with little added value to Mr. Bordeau. However, he continued with his plans to move Vathally's Pizza & Sub Shop downtown and also created an 80 seat Tex-Mex Restaurant during the summer of 2003. In April 2003 it was exciting to attend the opening of Artstream (in the former Tee Pee Sports location) and Regency Jewelers next to Vathally's.

- ◆ In early 2002 Service Credit Union purchased the former Kendall Real Estate building at the corner of South Main Street and Columbus Ave. To facilitate their purchase and the creation of up to 70 new office jobs in the downtown, the City Council approved the creation of a parking lot off Columbus Avenue on the former railway right-of-way owned by the State of New Hampshire that the City will lease from the State. The lot was constructed to City specifications at the Credit Union's expense and is available to them during daytime business hours on a permit basis. The Service Credit Union facility opened late in January 2003.
- ◆ Early in 2002 Anthony Ejarque purchased the former Wooden Nichols Restaurant. With the assistance of a CDBG JOB Loan Mr. Ejarque totally renovated the property to create a new Mexican style restaurant known as Slim's Tex-Mex Eatery. In December 2002 Slim's opened for business. From day one it has been a very popular destination in the Downtown.
- ◆ The summer of 2002 the Bowl-a-way Lanes building on South Main Street was razed to make way for the new Auto Zone store. Department staff are pleased with the working relationship developed with this national chain to create a design and layout that meets their needs and enhances the City. We believe the City's willingness to demand high quality and appropriate designs from national chains like Home Depot, McDonalds, and Auto Zone is already paying dividends and will make us a more attractive location for quality businesses in the future. The store opened in early 2003.
- ◆ In July 2002 the City received an offer from Northeast Credit Union to purchase City owned property (commonly known as the Old Dover road snow dump) with frontage on both Rte 125 south and Old Dover Road. After discussion with and authorization from the Council an offer was accepted. Preliminary investigation revealed that the site might have been used years ago in a way wherein NHDES would regulate it as a "landfill". The balance of the year was spent on further evaluation of the site to determine that it is NOT a landfill, and evaluating what impact the material that is buried there would have on the stability of future structures.
- ◆ The 2002-2003 fiscal year saw renewed interest in the CDBG JOB Loan program. Two existing local businesses and two new businesses explored this resource. One application was approved contingent on NH Business Finance Authority approval. Attempts to restructure the loan following the Authority's denial were unsuccessful. The JOB Loan application by Specialty Textile Products located in the Gonic Mill was closed in May 2003.



- ◆ Another important project has been working with the Skyhaven Airport Operating Commission and State officials to identify wetlands mitigation options and to encourage the State legislature to be reasonable in establishing a goal for the airport to move from State ownership to local ownership. The legislature was receptive to extending the transfer date to 2006 to allow for a number of challenging issues to be resolved. The Governor does not appear as receptive. Another important event scheduled for August 2003 is the "Celebration Of Flight" fly-in"/exposition. This major event will help publicize the revitalization of the airport.
- ◆ Early in 2003 we began meeting with the new owner of the former Granite Ford location to discuss its appropriateness for the Pizza Hut relocation necessitated by the Turnpike expansion, to discuss additional development options and issues relating to the impacts of the former City landfill in that area. We are excited about the future potential for significant revitalization of this corridor.

While the economy is still unsettled, we saw increasing numbers of "prospects" checking out the Rochester area. We received a number of inquiries about possible restaurant locations in the downtown and several about stand-alone industrial buildings between 20,000 and 27,000 square feet. We have much larger building spaces available, but virtually no vacant buildings in this size range. The Division worked with three other developers who are proposing new construction in the City. We also worked with Salmon Falls Precision Fabricators on their changing situation, including referring several potential lease prospects.

Perhaps the most important event of FY2003 was the Council's decision to move ahead with the creation of a new Economic Development Manager position. The Council Economic Development Committee met twice in December and the REDC met on December 11 and then with the Council on December 17. All of these meetings focused on how to best focus our Economic Development efforts and what sort of staffing would be most appropriate. In January 2003 the Council Economic Development Committee began working in earnest to focus on the job description of an Economic Development Manager for Rochester. Councilor Stevens was tasked with creating a draft job description. The February meeting focused on a discussion of that draft job description. The Committee agreed that this position should report directly to the City Manager. The Committee also recognized that the job description is very broad and that it is unrealistic to expect any one individual to do all of these things at one time, but it is important to have an individual that can bring different sets of skills to an ever-changing economic environment. At the request of the Rochester Economic Development Commission the Council authorized the posting of the job ad prior to its final vote on the budget. Interviews and hiring an individual will be scheduled as quickly as possible after July 1.

**E-911 Report**

**Renumbering of Streets (none)**

**Right of way (none)**

**Mobile Home Parks naming and renumbering streets**

<b><u>Name of Park</u></b>	<b><u>Date of Change</u></b>
Chestnut Hill	September 22, 2002
<b><u>Old Name</u></b>	<b><u>New Name</u></b>
First Avenue	Fernald Lane
Second Avenue	Kenwater Avenue
Third Avenue (2sections)	Clearview Drive and Clayton Avenue
Fourth Avenue (3 sections)	Spencer Avenue, Riley Avenue & Skyline Drive
Fifth Avenue	Club House Lane
Riverview Drive (small section)	Perimeter Drive
Holly Park Lane (small section)	Downfield Lane
The Village at Riverside	June 21, 2003
<b><u>Old Name</u></b>	<b><u>New Name</u></b>
209 Milton Road, Lot ??	Daffodil Hill Lane
"	Daisy Lane
"	Cattail Place
"	Wildflower Way
"	Day Lilly Lane
"	Morning Glory Lane
"	Blossom Lane

## **REPORT OF THE POLICE DEPARTMENT 2002-2003**

**"THE PRIME MISSION OF THE ROCHESTER POLICE DEPARTMENT is the protection of life and property. This is accomplished through fair and equal enforcement, always keeping in mind the rights and dignity of the public. The basis of all Police Action is the law and credibility of the Agency. The measure of our service will be judged by the Public in the way we deliver our service. We will hold all personnel to a high level of ethical practices. This mission can be achieved through crime prevention, public relations and community policing."**

### **Overview**

Rochester consists of an approximate area of 46 square miles, with an estimated population of 29,000. The Rochester Police Department is the second largest Department in the City. Although very separate in their job functions, all of the members of the Department work together to produce a high level of service to the citizens. Our staff consists of sworn officers and a civilian support staff, including crossing guards. The Department also maintains a Police Explorer Post. This nationally recognized division of the Boy Scouts of America, "explores" law enforcement careers with young adults.

The City is broken out into five patrol zones for police coverage. Our Communications Center operates with enhanced 911 and is staffed 24 hours per day, by specially trained personnel. This combined center dispatches calls for service for police and fire.

A three-member board of Police Commissioner's serves the Police Department, elected by the citizens. Our current board consists of Ronald Lachapelle, Paul Dumont and Barry Flanagan.

### **Major Service Responsibilities**

Our major service responsibilities are to protect life and property through an effective partnership with the public and to address the needs and concerns of citizen customers.

### **Personnel**

The following personnel were hired to fill open vacancies during this reporting period: Officer Eric Babine, Officer Eric Dugas, Officer Michael Lambert, Officer

Justin Livingstone, Officer Keith Mackenzie, Officer David Pridham, Officer Richard Stanley and officially welcomed was K-9 “Fina”

The following personnel resigned during this reporting period: Officer Peter Archibald, Officer Brian Crombie, Officer Lisa Gero, Officer Michael McQuade, Officer Chris Pelletier, Officer Eric Savitts, Specialist Shawn Baker, Specialist Mary Labbe, Specialist Cheryl Longtin,

Recognition was given to the following members:

*Promotions:* Sgt. Anne Brideau to Lieutenant  
Officer Paul Toussaint to Sergeant

*Twenty-Year Plaques:* Specialist Eileen Douglass and Captain Robert Pease

*Presentations:* Chief Auger (Ret.) presented a photo of Downtown Rochester from the 1920’s

The Academy Street Coalition, (A.S.A.P.) presented Off. Lisa Gero with a memory scrapbook to recognize all her support.

The 1<sup>st</sup> Annual Chief Theodore Blair Memorial Award was presented to Captain Robert Pease

*Distinguished Unit  
Action Award:*

Given to the following members for efforts relating to an attempted suicide. Lt. Dumas, Off. Harding, Off. Cahill, Off. Bossi, Off. Ball, Sgt. Deluca, Off. Emerson, Specialist Daigle and Specialist Baker.

## **Fiscal Year Accomplishments**

We are pleased to report to our citizens the following year end achievements by your police department:



- Implementation of a police canine (K-9) program with two successful seizures by the close of the fiscal year. Requests to seize almost \$3,000.00 in funds obtained through forfeiture have been submitted. These funds will cover the cost of the dog.

- Implementation of a Police Motorcycle Unit at no cost to the taxpayer. This program has been favorably received in the community and in the police department. Overall operating costs of the motorcycle are far less than a full size cruiser, performing the same functions.

- Implementation of an OHRV program that allows for diversified patrols in areas that population and use are on the rise. Rochester is bisected by major trail systems used by OHRV's in summer and winter months. What could be a 45-minute walk can now be completed in five minutes. The OHRV can be used for special events, monitoring for alcohol violations on the trail system and other off highway areas and also for search and rescue situations.

- Purchase of a speed trailer that has been used extensively in the community to educate motorists of their speed compared to the posted speed limits in certain areas. Has been beneficial to the public safety of the City.

- Implemented structure changes within the Department. This has provided us with opportunities for proactive work in drug investigations, domestic violence issues, investigation of sexual crimes, and compliance issues with regard to alcohol sales. These programs and investigations strengthen the bond between the public and police in the important safety issues they address.

- We have introduced crime mapping to the records module of our software program. This will provide us with opportunities to analyze information with the aid of visual effects.

- We are on the verge of breaking ground for a new state-of-the-art modern police facility to serve the citizens of this city. It is designed to last at least as long as our current facility which was finished in 1905 and served as the fire house. It was renovated to serve as the Police Department and District Court in 1975, an arrangement that lasted until November of 1992, when the Court



moved to their current locale and this building was solely the Police Department. It has been “home” now for just shy of thirty (30) years.

### **Commentary**

The fiscal year accomplishments are a direct credit to the Police Commission and staff. I would like to publicly thank the men and women of the Rochester Police Department for the hard work and dedication over the past year. We also recognize the City Council for the funding and support of various things. Paramount to our success is the support of the citizen's of the City. With areas that we track on the rise, we remain creative and enthusiastic, providing safety services in the fifth largest community in the State.

We have finished this year without one labor grievance being filed and I attribute that to staff being of like mind as we implement new and sometimes better ways of doing things. The surveys that we are completing with the public are, for the most part, favorable. What is more important is that the public is not afraid to guide us with constructive criticism that helps us improve the way we do our jobs.

### **Future**

We continue to work with the City Council building committee on a new police station. This state of the art facility has been talked about for the past decade. Its implementation is long overdue. We know that the economy has put a financial strain on the City and we are prepared to do our part in balancing and prioritizing our services to the community. We will continue to develop our expanded ability in some areas to provide diversified services along with the rest of progressive law enforcement.

It is our vision that the Rochester Police Department will continue to be a cornerstone of progress and a model police department in service to our citizens, constantly improving the quality of services that we render. We are committed to offering the best service to the residents and visitors to the City, which can be accomplished through our community policing programs, advanced technology and input from our citizens.

Respectfully Submitted,

Chief David G. Dubois

## REPORT OF THE PUBLIC WORKS DEPARTMENT 2002-2003 (FY 2003)

The Public Works Department is committed to protecting the safety, health, and welfare of its residents and visitors by providing clean water, removing and treating sewage and maintaining our roads and sidewalks. The department works with the Mayor, City Council, City Manager, and all other departments, to provide the best service within our means.

This year the department accomplished many items, including but not limited to the following: several drainage maintenance and improvement projects, annual street line/crosswalk painting, cleaning of catch basins; sweeping streets, sidewalks, and the downtown areas of Rochester, Gonic, and East Rochester; repair and installation of street signs; road patching; traffic and street light repair; removing and trimming of trees, brush, and removal of stumps. The department also helped with community projects such as: Lilac Family Fun Festival, the Summer Festival, the Christmas Parade and the hanging of downtown Christmas holiday season decorations. The amount of sand applied to the roads was approximately 4000 tons and 5477 tons of salt was used.

The Public Works capital improvement projects initiated or completed during the Fiscal Year include:

- Reconfiguration of the Columbus Avenue, Hancock Street and Lowell Street intersection to make it possible for a motorist traveling southbound on Columbus Avenue to make a left turn to head east (south) bound on Lowell Street. This included reconfiguration of traffic signals at intersection. Approximately 2000 linear feet of Columbus Avenue was widened to accommodate a center lane for left hand turns onto Bradley and McIntyre Courts, as well as May and Upham Street.
- Reclaimed the pavement, recompact and fine graded the roadway base and repaved Mandela, Forest Park, Hope, Stacy, Gina, Rouleau and Jacobs Drives, Young, Wilson, State, Waverly, and Page Streets, Emerson, Park, Lawn, and Schultz Avenues, Old Gonic Road.
- Reconstruction of Maple and Haig Streets, which includes replacement of old water main began with much of this work continuing through next fiscal year.
- We began a major sewer inflow and infiltration elimination project in downtown Gonic including work on Main, Church, Felker, Sherman,

Demeritt, Shelby Streets, and Patriots Way. Most of work continues through next fiscal year.

Public Works reviewed and oversaw the privately financed construction of the following streets in preparation for acceptance by the City:

- Kodiak Court
- Denali Drive
- Justin Lane
- Echo Brook Drive
- Portions of Stillwater Circle

Additionally, the department reviewed and issued 132 driveway permits and 66 excavation permits.

## **WATER DIVISION**

The Water Division is continuing to pursue new water supplies and is striving to reduce leaks. The distribution staff was very busy with installation of new services as well as repairs and service calls.

The Water Treatment plant treated and filtered 783 million gallons of water with an average daily flow of 2.5 Million gallons per day. The plant continues to run very well and produces a high quality drinking water.

The Water Treatment Plant staff participated in the NH Drinking Water Festival on May 7, 2003. Our display was well received and the operators did an outstanding job manning the booth. We also participated in a taste testing competition that included Dover and Portsmouth to name a few, and we won the award for best tasting water. There were over 800 fourth graders in attendance that day. Our Chief Operator was a judge in the State Science Fair. We also had a crew from the Water / Sewer Department of Public Works perform pipe-tapping demonstrations. They did an excellent job educating and entertaining the children.

## **SEWER DIVISION**

The Division of Public Works Wastewater Treatment Facility is dedicated to the treatment of wastewater that flows into our facility from Rochester, East Rochester and Gonic and to delivering a clean, clear effluent into the Cocheco River.

The present day advanced wastewater treatment facility is designed to treat an average daily flow of 5.0 million gallons per day, with a peak design of 16 million gallons per day. The city operates under the strict effluent

limitations and monitory requirements contained in the July 23, 1997 National Pollution Discharge Elimination System (NPDES) Permit.

During the fiscal year we submitted a reapplication for our National Pollution Discharge Eliminations System Permit and Revised Local Limits for our Industrial Pretreatment Program as a sub-part to our NPDES Permit. The applications are in the review phase with the control authorities and issuance is expected in 2004.

The Wastewater facility continues to operate below projected O&M costs for power, chemicals, equipment maintenance and plant staffing levels!! The staff continues to put forth an outstanding effort to achieve compliance through operational control, preventative maintenance, teamwork and training.

The staff was also busy with service calls, repairs to services, installation of new services and the operation & maintenance of the 25 pump stations within the city.

The wastewater treatment facility treated 1,199,959,000 gallons of wastewater. The average daily flow was 3,371,000 gallons. The facility continues to produce a high quality effluent and is running extremely well. 357,952 pounds of BOD (98%) and 748,234 pounds of TSS (99%) have been removed. The WWTP has also received and treated 593,800 gallons of septage.



**REPORT OF THE DEPARTMENT OF RECREATION  
AND YOUTH SERVICES  
2002-2003**

The Department of Recreation and Youth Services is comprised of four programs: Recreation, Court Diversion, Youth Connection and Community Resources and Prevention. The department is located in the Community Center Building on Wakefield St. in Rochester.

The Recreation Program provides a diversified range of activities to meet the needs of the community.

The Court Diversion Program provides an option to the judicial system for selected Rochester youth who have committed criminal offenses. Sixty (60) youth were deferred to the Juvenile Court Diversion Program.

The Community Resources and Prevention Program supports and coordinates programs designed to prevent the abuse of alcohol and other drugs. This office also provides resources to the citizens of Rochester who are involved in neighborhood coalitions.

The Rochester Youth Connection program "connects" mature, stable adults with youngsters ages 7 - 17 who need companionship and role-modeling. The program also provides interested youth with the opportunity to volunteer at selected work sites within the community which enables them to gain valuable work skills.

These four programs work very closely with one another to provide the necessary support to the youth and adults involved. The goal of Recreation and Youth Services is to insure quality service in all areas.

The full department offers a wide variety of programs for both young and old in the community. Due to the large number of volunteers involved at Recreation and Youth Services, the staff is able to expand on the services offered.

Summer is a very busy time of year. Youth are taught to swim at the three outdoor pools. Four playground sites throughout the City are offered to children ages 6 - 10 on a daily basis. A Quest Program for children ages

11 and 12 is also offered five days a week and A Teen Adventure Camp for youth 13 - 15 is offered three full days a week. These fully supervised programs offer young people the opportunity to have fun at creative play with their peers in a well supervised setting. Tennis lessons are also offered to residents of all ages.

The three pools in the City are Hanson Pines, Gonic and the East Rochester pools. Hours were extended to serve the public as the pools are in constant use throughout the summer.

The outdoor basketball courts, playground area, and skateboard park at Hanson Pines continue to be popular sites for recreation.

A very popular event is the Annual Fishing Derby which is held in conjunction with Rochester Recreation and the Profile Bowmen Club at Sqamanagonic. This is open to children ages 14 and under and is a free event.

Throughout the year, the Recreation Department offers a wide variety of basketball programs for all ages, with youth leagues in the winter, camps in the summer and open gym times for all ages. The department also offers a wide variety of other programs such as yoga, tai chi, karate, dance, dog obedience, adult volleyball, an adult walking club, special trips, youth school vacation camps and junior gym classes.

The Department of Recreation and Youth Services continues to work closely with other city departments and local agencies in order to serve the needs of the community and maintain high quality performance.

Respectfully Submitted,

Chris Bowlen, Director

# **REPORT OF THE SUPERINTENDENT OF SCHOOLS**

**2002-03**

## **To the School Board and Citizens of Rochester:**

During the 2002-03 school year, Rochester School Department resisted the temptation to start a lot of new projects, rather choosing to continue and strengthen initiatives that had been started in previous years. This decision is not based on a resistance to change – the initiatives in place anticipate the need for change, and prepare the district to anticipate changes in student needs. Rather, building on existing initiatives recognizes that indiscriminate replacement of one new program with another reduces effectiveness of all programs. Moving through fads will never permit a school district or its students to benefit from consistency and planned progress.

### **Focus on Reading**

The district has continued its focus on improving reading instruction and reading proficiency of students, with further development of several initiatives. Establishment of Rochester Reads, a community-based foundation to support the reading goal, resulted in very high visibility of the School Department's message to parents, business leaders, and all other adults within the community: *Read to a child for 20 minutes every day.* This message is not simply for show. It is based on research indicating that the best predictor of students' future reading achievement is whether adults read to the child regularly in his or her formative years. Any adult who reads to children regularly can contribute to future literacy.

In addition to the 20 minute reading message, the School Department initiated a summer reading program for students in all grades. The district found a positive relationship between completion of the summer reading assignments and student performance on the fall reading assessment. Further, the gains that are achieved through the summer reading program permit students to maintain higher performance levels throughout the year. In addition to the district-wide summer reading, individual schools have initiated their own reading programs, including a Family Literacy Initiative at William Allen School, a 100 book per year reaching challenge for students at McClelland School, and others.

These, and other efforts, appear to be having a positive effect as Rochester's students have made progress toward the goal of having at least 90 percent of the District's children reading at or above grade level by the end of third grade, and maintaining that standard in subsequent grades.

### **Student Assessment and Accountability**

For a second year in a row, Spaulding High School students made greater gains on the state assessment, NHEIAP, than was common throughout the state. For the first time since the inception of the assessment, Spaulding students were above the state average in language arts and writing.

In addition to the state assessment, Rochester School Department has implemented a new student assessment program developed by the North West Evaluation Association (NWEA). NWEA assessments are computer based tests in Language Arts, Reading, and Mathematics that automatically adapt to the achievement level of students so teachers receive more accurate information about what a student is able to do and how to more effectively design instruction to move students forward.

Among the strengths of this assessment system is the high level of interest for students. Shortly after the first administration of NWEA, numerous students sought out the Superintendent to tell him of their excitement about the test – something that had never happened in his career. Likewise, teachers praised the assessment because of the extremely fast scoring and reporting that lets them immediately use the results to look at student performance and instructional shifts to better meet the needs of students. The results suggest that students take the new assessment more seriously than the previous paper and pencil tests and that, because they are trying harder, the district gets a more accurate picture of what they know and can do.

### **Facilities**

While learning and instruction are the top priority for the Rochester School Department, we recognize that it is essential to provide safe and adequate facilities for our students and other patrons who visit our property. Further, we recognize that learning includes more than academics. Accordingly, the District embarked on a multi-year journey to upgrade athletic facilities. The first two steps were replacement of the aging grandstands and lighting system at the Spaulding High School, and creation of a multi-purpose athletic field between Rochester Middle School and



McClelland School. During demolition of the SHS bleachers and lights, workers discovered several places where the bleacher standards had rusted through and a significant amount of rot deep inside the wood of the light poles. They were ready to fail and could have caused significant injuries or death had they not been replaced.

Further development of athletic fields will be accomplished in coming years as funding becomes available. This is necessary because Rochester has experienced a severe shortage of field space for, not only school teams, but also for community based youth leagues that need to use school facilities. By increasing the number of fields available, the School Department believes that it can better care for the fields under its stewardship and provide the taxpayers of Rochester with a better value for the dollars invested.

### **Improvement of Instruction**

A major focus continues in the area of instructional improvement and increased student learning. To this end, the Rochester School Department has greatly strengthened its in-district professional development program to include more offerings for teachers and other education professionals. We believe that completion of a teacher preparation program in college is only the beginning of a teacher's journey toward effectiveness and that it is essential to budget for continued professional development to keep faculty and staff members apprised of research and best practices.

Two of the major efforts in this area have been through training in effective reading instruction, related to the District's reading goal, and the piloting and adoption of a standards-based mathematics program in grades K-8, with plans to adopt a similar program at the high school level as soon as the strongest program for our school has been identified. Extensive professional development has been, and continues to be, offered in teaching methods required for effective implementation of standards-based curriculum.

The District has continued to use the Educational Value Added Assessment System (EVAAS) launched in 2001-02, with a new twist. The model has caught the attention of the New Hampshire Department of Education as a possible tool for use state-wide. Accordingly, Rochester was tapped to be part of a state pilot program, which has removed the cost of the program for two years from the local budget and placed it in a state grant.

EVAAS is a tool for separating school generated factors in student learning from those that are unique to students, such as ability and home background.

## Accreditation

The district learned in November that the Rochester Middle School application for accreditation within the New England Association of Schools and Colleges has been approved. RMS is the first middle school in New England to be accredited under standards designed specifically for the middle grades. During 2002-03, Spaulding High School completed its self-study for renewal of its accreditation.

### Rochester Special Education Revenues and Expenditures As required by RSA 32:11-a

**Table 1: Special Education Revenue**

	2000-01	2001-02	2002-03
Tuition from other districts	37,635.59	101,422.40	104,549.77
Tuition for foster children	0.00	0.00	0.00
Catastrophic Aid (State)	702,289.09	626,559.80	521,204.31
Medicaid Reimbursement (Federal)	531,000.58	474,070.47	544,529.52
Special Education Grants (Federal)	487,815.64	592,198.63	736,601.70

**Table 2: Special Education Expenditures**

	2000-01	2001-02	2002-03
Salaries and Benefits	5,731,578.56	6,273,340.53	7,078,930.06
Tuition and Contracted Services	1,839,537.86	1,729,260.55	1,824,013.33
Supplies and Equipment	70,911.02	102,349.48	90,442.98
Other expenses	330.41	920.13	3,640.95
Special Area Administrative Services	188,033.88	247,485.11	258,145.71
Transportation	315,732.08	398,125.85	460,804.84

**Table 3: Revenue to Expenditure Analysis**

	2000-01	2001-02	2002-03
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Total Revenues	1,758,740.90	1,794,251.30	1,906,885.30
Total Expenditures	8,146,123.81	8,751,481.65	9,715,977.87
Net Local Cost	6,387,382.91	6,957,230.35	7,809,092.57

**Table 4: Sources of Revenue as Percent of Total**

	2000-01	2001-02	2002-03
Federal Sources	12.5%	12.2%	13.2%
State Sources	8.6%	7.2%	5.3%
Other Sources	0.5%	1.1%	1.1%
Local Property Tax	78.4%	79.5%	80.4%

## School Board Membership

<u>Seat</u>	<u>7/1/02 – 12/31/02</u>	<u>1/1/03 – 6/30/03</u>
Ward 1	James McGranaghan Frank Callaghan	James McGranaghan Audrey Stevens
Ward 2	Nancy Warren Daniel Harkinson	Nancy Warren Daniel Harkinson
Ward 3	John Connelly Gerard Gilbert	John Connelly Gerard Gilbert
Ward 4	Randy Parks Phillip Stiles	Phillip Stiles Jae Duntley
Ward 5	Robert J. Watson Anne Grassie	Pamela Hubbard Charles DeVito
Ward 6	-- -- -- --	Frank Callaghan Robert J. Watson
At-Large	Bert D. George Charles DeVito Dr. Mark Chrusz	Anne Grassie



### Standing Committees

<u>Committee</u>	<u>7/1/02 – 12/31/02</u>	<u>1/1/03 – 6/30/03</u>
Building	John Connelly, Chair Frank Callaghan Gerard Gilbert	John Connelly, Chair Frank Callaghan Gerard Gilbert
Instruction	Daniel Harkinson, Chair Anne Grassie Robert J. Watson	Daniel Harkinson, Chair Anne Grassie Robert J. Watson
Personnel	Gerard Gilbert, Chair Charles DeVito James McGranaghan	Gerard, Gilbert Chair Charles DeVito Audrey Stevens
Special Services	Robert J. Watson, Chair Dr. Mark Chrusz Randy Parks	Robert J. Watson, Chair “Jae” Duntley James McGranaghan
Finance	Nancy Warren, Chair Charles DeVito John Connelly Gerard Gilbert Daniel Harkinson Robert J. Watson	Nancy Warren, Chair Charles DeVito John Connelly Gerard Gilbert Anne Grassie Daniel Harkinson Robert J. Watson

### Special Committees

<u>Committee</u>	<u>7/1/02 – 12/31/02</u>	<u>1/1/03 – 6/30/03</u>
Discipline	Daniel Harkinson, Chair Nancy Warren Rotating Board Member	Daniel Harkinson, Chair Pamela Hubbard Rotating Board Member
Policy Revision	Charles DeVito, Chair Anne Grassie Bert George	Charles DeVito, Chair Anne Grassie Phillip Stiles
Joint Field Development		John Connelly, Chair Gerard Gilbert Charles DeVito

### **Central Office Administrators**

Raymond Yeagley, Superintendent of Schools  
Michael L. Hopkins, Assistant Superintendent of Schools  
Sharon Pray, Director of Pupil Services  
Sally Riley, Curriculum Coordinator  
Susan Deese, Curriculum Coordinator  
Marty Brennan, Title I Director  
David Yasenchock, Chief Technology Officer  
Richard Kalisz, Facilities Manager  
John Laverdiere, Director of Buildings & Grounds

### **Principals**

Robert Pedersen, Spaulding High School  
Walter Helliesen, Rochester Middle School  
Steve LeClair, Chamberlain Street School  
Nancy Loud, East Rochester Annex (Teaching Principal)  
Donna Marsden, East Rochester School  
Martha Wingate, Gonic School  
Barbara McDowell, Maple Street School (Teaching Principal)  
Arlene Walker, McClelland School  
Nancy Booth, School Street School (Teaching Principal)  
Robert "Rob" Hanson, William Allen School

### **Assistant Principals**

William Douglass, Spaulding High School  
Susan Randall, Spaulding High School  
Eric Ross, Spaulding High School  
Richard Towne, Spaulding High School  
John Safina, Rochester Middle School  
Linda Sutton, Rochester Middle School  
Gwen Guess, Chamberlain Street School  
Maureen Oakman, East Rochester School  
Teresa Bailey, McClelland School  
Rebecca Ruel, William Allen School

**School Nurses**

Sharon Croft, RN (Head Nurse)  
Claudette Bayko, RN  
Joanne Clark, RN  
Nancy Graham, RN

Anne Moynihan, RN  
Jennifer Saucier, RN  
Bethann Welch, RN

## **REPORT OF THE TAX COLLECTORS DEPARTMENT 2002-2003**

The responsibilities of the Tax Collector's office consist of collection of property taxes, water & sewer, and other city department collections. We execute property tax liens on delinquent taxes, file redemptions on paid lien property through the Strafford County Register of Deeds, and we send the proper notification on all properties going to Tax Deed. We collect all Current Use Tax and Timber and Gravel Tax. The property tax warrant for 2002-2003 was \$29,997,174.00 and approximately 23,000 bills.

Another responsibility in the Tax Collector's office is the processing of auto registrations. In 2002-2003 we processed approximately 35,000 registrations. We are a Municipal Agent through the State of NH therefore we issue plates and decals for an added cost of \$2.50 per registration. In the year 2002-2003 we collected \$61,250.50 in municipal agent fees.

For the year we collected on approximately 25,615 water & sewer bills.

### **Revenues collected by the Tax Collector's Office:**

Total Warrant	29,997,174.00
Timber and Gravel Tax	22,892.37
Delinquent Taxes	367,456.41
Chg Tax for Cu Removal	140,340.00
Motor Vehicle Permits	3,694,336.30
Misc-RR Natl Bk Tax	1,945.33
Water	2,689,859.08
Sewer	2,700,208.92

The Tax Collector's Office consisted of four full time employees and two part time employees. Marianne Douglas was the Tax Collector and retired on May 30<sup>th</sup>, 2003 after 17 years of service. Doreen Jones was the Deputy Tax Collector, Karen Paquette and Virginia Gray as full time clerks. The two part time clerks were Shirley Gray and Ann Dupuis. We all strive to work together and provide the best customer service to all of our customers.



I would like to express my thanks to all of the Tax Office staff for all their hard work through out the year.

Respectfully Submitted,

Doreen Jones  
Tax Collector

## **REPORT OF THE WELFARE DEPARTMENT 2002-2003**

In compliance with RSA 165, the local welfare office for the City of Rochester administers local emergency assistance for individuals and families who may be poor and needy, and who may require help in a crisis. Decisions are made in a strictly confidential manner. It is our mission to provide quality assistance to those in a difficult circumstance, and to do so in a financially responsible manner for the City taxpayers.

The City of Rochester budgeted \$450,070.00 for direct General Assistance for fiscal year 2002-2003. A total of \$421,175.42 in vouchers was issued, however, the dollar amount spent for General Assistance was \$396,842.50. Expenditures in the amount of \$235,377 were related to overhead.

The Welfare Department also received a McKinney Grant in the amount of \$12,000.00. These HUD monies are discretionary, and are used for utility arrearages (to restore power), rental arrearages (to stop evictions), and are also used for individuals who otherwise may not be eligible for General Assistance, but at the same time may have an acute emergency crisis.

The Rochester Welfare Department provided General Assistance to 301 single individuals, and 298 families. Along with issuing vouchers for rent/mortgage, utilities, and medications, this office strives to approach all requests for assistance in a timely, dignified and case management form.

The City of Rochester, along with other towns and cities in Strafford County, support the Homeless Center for Strafford County on Turnkey Road in Rochester through CDBG funds. This support allows this shelter to be an important resource for our taxpayers and for the Rochester Welfare Department. This shelter's mission was and remains to help keep homeless families sheltered during the winter months.

Recipients of General Assistance, unless disabled or caring for young children, are expected to look for work and participate in the City's Work Program. Twelve individuals worked a total of 1025 hours at cost savings of \$6865.00 to the City of Rochester.

\$31,860.06 was received in reimbursements. These reimbursements came from SSI (Supplemental Security Income), liens on real property and civil judgments, and cash payments.

#### **Issuance of General Assistance Vouchers for Families**

<b>Burial</b>	<b>1000.00</b>
Dental	320.00
Electricity	5157.88
Food	71.29
Heating Fuel	3588.39
Miscellaneous	11.00
Mortgage	4064.61
Prescriptions	14,510.11
Rent	154,746.29
Temporary Shelter (Motel)	6,680.40
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<b>TOTAL</b>	<b>\$190,149.97</b>
Average cost per case/family	638.09

#### **Issuance of General Assistance Vouchers for Individuals**

<b>Burial</b>	<b>2500.00</b>
Dental	2170.00
Electricity	2371.51
Food	54.00
Heating Fuel	2632.96
Gas for heating	204.00
Miscellaneous	15.00
Mortgage	8516.21
Prescriptions	54,722.77
Rent	147,450.30
Emergency Shelter	10,388.70
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<b>TOTAL</b>	<b>231,025.45</b>
Average cost per individual	767.53
 <b>Total Vouchers issued</b>	 <b>\$421,175.42</b>

With the help of a private organization, this office ran a "Back-to-School" Program for children in need of backpacks and supplies for the start of the school year. Also, once again our office ran its Christmas program, which benefited many families in Rochester, Gonic, and East Rochester.

During this year, we said good-bye to two long-term employees. After 21 years of directing the Department of Welfare, Jane Hervey retired in January 2003. Judy Paradis retired after 17 years from her social work position in June 2003. Todd Marsh was hired in June as the department's new social worker.

I would like to thank the following people for their invaluable service to this department: Jane Hervey, out-going director, Judy Paradis, out-going social worker, Todd Marsh, and, long-time employee, Secretary II Gail Bennett. Gail's assistance during this year of change has been outstanding.

Respectfully Submitted,

Lynn Carey,  
Director







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